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THE THAI FISH AGENT AND MARKETING SYSTEM

by
Masahiro Yamao

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PREFACE

"Fish agents" have always had considerable impact on the rapid development of Thai fisheries. First of all, they have encouraged the capitalization of fishery production by establishing close links to fishery producers. Their business-like attitude towards the fostering of commercial fisheries has encouraged a great deal of producers to invest further in the means of production. Moreover, fish agents have set up a nationwide distribution network linked to large consumer markets, processing factories and international markets. In contrast to other types of fishery traders, in terms of organization, fish agents have actually had the greatest influence not only on distribution but also on production. Accordingly, a most effective way in which to clarify the characteristics of the Thai fish market is to examine the activities of existing fish agents.

The contents of this report are divided into two parts. The first attempts to illustrate the general features of fish agents and to identify the existing fish agents in terms of a rough classification by applying certain criteria. The second attempts to examine the fish agents at Songkhla Fishing Port, who are considered to be typical of the Thai fish agent, in the light of the criteria applied in the first part.

As will be described in the first chapter, fish agents pursue various activities, in addition to which they act as intermediaries in different ways in the distribution of fishery produce. Moreover, the marketing system in Thailand varies tremendously from region to region, depending upon the level of fisheries development; and therefore, the agent activities seem to differ between regions. Accordingly, the classification of agents may best be attempted after presenting several case studies in different regions. However, as my return to Japan is only two months away, my working hypothesis should be stated, in order to further ongoing investigations by my colleagues. This working hypothesis will be reworked by them in a more accurate manner. In addition, the report will focus on the fish agents in the production areas as a whole, since I lack sufficient knowledge of those in consumer markets, and specific assembly points such as Hat Yai.

In acknowledging the help I have received in assembling this report, I must thank Mr. Manus Hemnukul and Mr. Pramuan Rugjai (Fish Marketing Organization) who have continually provided valuable insights with regard to the characteristics of the Thai fish market. I am grateful to Mr. Roengroj Chalermroj (Manager of the FMO's Songkhla Office) and Mr. Samart Yodmanee (FMO Statistician) who assisted my research activities in Songkhla. Moreover, I would like to express my appreciation to the fish agents who were kind enough to answer my questions at length and explain the features of an agent's activities.

Miss Panipa Hanvivatanakit (Fisheries Economics Section, Department of Fisheries) gave me a great deal of vital information and useful suggestions. I am also very grateful to Miss Sumitra Rassamee (Research Division, SEAFDEC) for her help in preparing data.

Finally, I would like to express my gratitude to Dr. Veravat Hongskul, Secretary-General and Chief of the Training Department, SEAFDEC, who kindly arranged a series of marketing studies, and gave me the opportunity to formulate my ideas and publish this report.

I sincerely hope that this study may prove useful in shaping any future policy regarding the development of the Thai fish market.

10th November 1986

Masahiro Yamao

LIST OF TABLES

CONTENTS

1	1-1 Number of marine fish agents at the PMO's facilities	
14	1-2 Categories of Thai fish agents (mainly for fresh marine fish)	Page
	Preface	iii
	Contents	v
	I. Characteristics of the Thai Fish Agent	1
	1. General description of a fish agent	1
	2. Classification of fish agents	13
	II. Marketing Systems Organized by Fish Agents	29
	1. Fisheries trends at Songkhla Fishing Port	29
	2. Marketing system and fish agents	38
	III. Conclusion	53
	Annexes	55
	1. Fresh fish supply and distribution (in the Upper-South)	56
	2. Quantity contribution of marine products used in factories	57
	3. Catch landed in Songkhla shown by species (1983)	58
	4. List of marine fish species in Songkhla	59

ANNEXES

56	1. Fresh fish supply and distribution (in the Upper-South)
57	2. Quantity contribution of marine products used in factories
58	3. Catch landed in Songkhla shown by species (1983)
59	4. List of marine fish species in Songkhla

LIST OF TABLES

	Page
I-1 Number of marine fish agents at the FMO's facilities	3
I-2 Categories of Thai fish agents (mainly for fresh marine fish)	14
II-1 Value of fresh marine fish	35
II-2 Number of fishing boats shown by type	37
II-3 Number of fishing boats shown by size	37
II-4 Features of fish agents at Songkhla Fishing Port	39

LIST OF FIGURES

II-1 Changes in volume landed at Songkhla Fishing Port	36
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LIST OF DIAGRAMS

I-1 Model of a merchant's activities in a community	7
I-2 Links between fish agents and other enterprises	10
I-3 Marketing channels on the Bangkok Wholesale Market	17
I-4 Marketing channels of fish agent (Type III)	25
II-1 Outlets of main species	44
II-2 Price shifting in local market	48
II-3 Evolution of collection activity (Fish agent, No.7)	51

ANNEXES

1. Fresh fish supply and distribution (in the Upper-South)	56
2. Quantity contribution of marine products used in factories	57
3. Catch landed in Songkhla shown by species (1983)	58
4. List of marine fish species in Songkhla	59

I Characteristics of the Thai Fish Agent

1. General description of a fish agent

According to the regulations of the Fish Marketing Organization (FMO), a "fish agent"¹ is a merchant (or an enterprise) who receives fishery produce consigned by producers as well as traders in order to sell it to purchasers on behalf of his consignors through auction². Therefore, a fish agent acts as an intermediary with regard to the flow of fishery produce from consignors (sellers) to purchasers. In return for the services of the fish agent, consignors (producers and traders) will pay him a commission. In Thailand, all fish agents need to be licensed in order to operate legitimately; they are classified according to the produce and products they handle, i.e. marine and freshwater fish, salted or dried fish (of the marine and freshwater varieties), freshwater fish, and salted or dried fish (of the freshwater varieties). In addition to these basic legal requirements, yet another licence is required for those fish agents who operate auctions. In the country as a whole, there used to be only sixteen fish agents operating legitimately, all of whom were active in the Bangkok Wholesale Market, managed by the FMO. In 1984 when the FMO began to manage a landing and auction place in Samut Prakan Province (the Samut Prakan Fish Market), another ten fish agents were registered so as to deal with the catches of fresh marine fish on the spot. At present, twenty-seven fish agents in the two markets are engaged in the handling of fishery produce in accordance with the regulations. In all, twenty-three agents handle marine fish, while the remainder are engaged in the handling of freshwater fish in the Bangkok Market. Normally, the registered agents operate auctions for the purpose of selling the produce they have been consigned, for which service they receive a commission. In the Bangkok Market, the commission charge is equivalent to not more than 6 per cent of the gross sale. Since the FMO levies a service charge of 1 per cent of the gross sale from the agents, the latter will receive 5 per cent.

Apart from these bona fide fish agents, there also exist a number of merchants or enterprises that are also usually called "แฟปลา" (fish agent). Strictly speaking, of course, they are not "fish agents" within the legal definition of the term. However, in terms of their marketing activities, they often bear a striking resemblance to those fish agents operating officially. Hereafter, when we refer to the characteristics of fish agents, we will include those who are not registered officially. This is because the non-registered agents may well exceed

1

The term "fish agent" is a translation of the Thai word "แฟปลา" (Phae Pla).

2

"พระราชบัญญัติจัดระเบียบกิจการแฟปลา" (The Act Organizing the Activities of the Fish Market, B.E. 2496)". Ministry of Agriculture (nowadays, Ministry of Agriculture and Cooperatives), 1954.

the registered ones, both in number and in the volume of produce they handle. So-called fish agents can be divided into roughly two groups, according to the type of business they transact. The first group consists of registered fish agents acting in an official capacity and non-registered ones who are very similar in nature. Therefore, they are both called "แพปลา" (fish agent). The other group is often named "แพร" (agent)¹. Although the difference between the two groups is not so explicit, broadly speaking, the former group depends on the sale of fishery produce on consignment while the latter tends to concentrate on the purchase of produce from producers and traders. Accordingly, the first group tends to specialize in modern wholesale commerce, since currently one of its main features is that it accepts fishery produce on consignment, and is thus better suited to fairly large-scale transactions than the other. However, although the two groups are different when examined in detail, they both tend to be lumped together as "fish agents". For the purpose of this study, therefore, we will regard both groups as "fish agents", in accordance with custom. The number of such fish agents in marine fisheries reached 172 in 1984 as indicated by the FMO's statistics (See Table I-1). On the whole, the number of fish agents underwent a rapid increase from the beginning of the 1980s onwards. It is worth noting that their number rose from 88 in 1980 to 129 in 1984 at fishing ports managed by the FMO, such as those of Ranong and Pattani. On the other hand, the agents in the wholesale markets of the FMO had been undergoing a period of stagnation until the appearance of the Samut Prakan Fish Market. After that, the total number of agents at the various markets reached 43 in 1984, of which 23 in the Samut Sakhon Market were not registered even though they appear to conduct their business in a manner similar to the remainder in the other markets. Thus, non-registered fish agents, who for the most part deal outside the wholesale market system, exceeded those registered in number. In the country as a whole, however, the total number of fish agents probably exceeded the estimate given in Table 1, since all fishery produce no longer passed through the FMO's facilities alone. In 1984, the volume of produce handled at the FMO's facilities accounted for only 36.9 per cent of the country's total catch². The majority of produce was not directed to the fish agents indicated in the previous table; much of it passed through the hands of other fish agents and traders.

In the meantime, an attempt to compare fish agents with other categories of merchants marketing fishery produce will be of great use in pinpointing the individual characteristics of fish agents. It may safely be assumed that, during the less-developed period of fisheries, the economic activities of fish agents were identical to those of any

¹ Pronunciation is "Phae"

² This figure was computed for "Fishery Record of Thailand 1984" (Department of Fisheries) and "Fisheries Record 1984" (FMO).

Table I-1 Number of marine fish agents at the FMO's facilities

	No.				
	1980	1981	1982	1983	1984
< Fishing Ports >					
Ranong	35	34	39	46	56
Hua-Hin	6	7	8	7	8
Songkhla	18	17	20	21	21
Surat Thani	11	10	10	10	8
Pattani	13	17	19	20	20
Satun	-	8	-	-	-
Phuket	-	15	9	14	16
Chumphon	-	-	-	1	-
Trad	5	2	-	-	-
Sub-total	88	110	105	119	129
< Fish Markets >					
Samut Prakan	-	-	-	-	10
Samut Sakhon	18	11	19	19	21
Bangkok	11	12	12	12	12
Total	117	133	136	150	172

- 1) The figures show an average number of fish agents on any given day at fishing ports and fish markets all of which are managed by the FMO. (Source) "Fisheries Record, 1980-1984", FMO.

other merchant. In other words, they might be an offshoot from other types of merchant who have branched out and flourished along with the capitalization of fisheries and the expansion of fishery produce markets in Thailand. Even nowadays, as will be described later in more detail, a number of fish agents have adopted the same marketing methods as other types of merchant.

In general, there is another type of merchant who collects produce from fishery producers and markets it: "พ่อค้า" (or "พ่อค้าคนกลาง")¹. This term refers at one and the same time to various types of merchant engaged in the distribution of fishery produce, in fishing communities². However, when a certain merchant is referred to by the term "พ่อค้า" in order to distinguish him from "แพปลา" (fish agent), this indicates that he is looked upon as the sort of merchant who wields considerable influence, within the community, with regard to organizing production and distribution. Normally, this type of merchant fulfills multiple economic functions extending not only over fishery production but also over the distribution of produce as well. First of all, the merchant appears on the scene as a seller of the basic necessities needed for fishery production, such as fuel oil and ice. These necessities are usually supplied on credit, the repayment period varying according to the duration of the particular fishing trip. Instead of providing the actual articles, the merchant may provide a much-needed amount of cash to the fishery producers so that they can purchase the materials required for production. The advancing of cash payment occurs when the merchant himself does not deal in the materials needed by producers. However, the merchant does not expect to be paid any interest on the advance. Thus, the merchant supplies fisheries either with operating materials, on a daily basis, or with operating funds. Moreover, a producer sometimes requires a loan from the merchant in order to make a major investment in fishing equipment such as a fishing net. The merchant then provides the producer with the equipment he needs. It may also happen that a trader, with links to the producers, will supply the necessary equipment instead, relying on the fact that the merchant will stand guarantor for the producer. In the latter case, the merchant, rather than the real purchaser, will have the obligation to repay the trader. In return for such tolerant support which enables producers to sustain their fisheries, the merchant will enjoy exclusive rights to any fishery produce, at least from those who have received advances from him.

¹ "พ่อค้า" and "พ่อค้าคนกลาง" are pronounced "Phoo khaa" and Phoo khaa khon klang", respectively, the meaning of both being "male trader". However, if a trader is female, "แม่ค้า" ("Mae Khaa") is used instead. In research reports written in Thai, authors frequently refer a trader with the following expression "ผู้ค้าคนกลาง" ("Phu khaa khon klang").

² For instance, the mercantile activities of a person called by this name include collection, distribution, the retail trade and even processing. Fishermen and village members tend to use this word as a term of convenience to cover any kind of trader.

In other words, he functions as a collector of produce. Ordinarily, this kind of merchant purchases fishery produce, but does not accept produce on consignment. As soon as the produce is delivered to the merchant, he usually pays in cash, after deducting at least something from the total sale to offer his daily advance. Furthermore, he also **deducts part of the repayment for major pieces of fishing equipment if the size of the catch is sufficient to justify it.** Thus, advance payment is indeed the most suitable as well as the steadiest method of collecting produce; in addition, by selling much-needed material the merchant also benefits.

At a subsequent stage, the merchant will become an intermediary for fishery produce. Normally, he prefers multiple outlets for the produce he purchases, in each of which he plays a distinct economic role. First, the merchant is a collector transferring fishery produce to other traders who deal in a comparatively larger volume, such as merchants (or an enterprise) in a wholesale market and at a large fishing port. Frequently, even a merchant who enjoys a monopoly in his own immediate community must accept the price a trader offers. Such transactions with the trader, which are a result of the latter's domination of the distribution process, keep the merchant in a relatively powerless position. Secondly, the merchant is a distributor delivering the produce he has purchased to retailers or other small distributors, both of whom market it in adjacent local markets. These purchasers will be placed at a disadvantage compared with the merchant: a small purchaser is to the merchant what the merchant is to his business connection in a large market. For instance, in the case of certain species, the merchant will offer his produce to the retailers and distributor at a higher price, when compared to the price he must sell it for to the trader¹. Ordinarily, a merchant maintains links to a number of specific purchasers who are, within limits, allowed to receive a certain amount from the merchant. As long as their demands do not exceed this amount, a retailer and distributor can be supplied on a daily basis with fishery produce on credit². However, the small purchasers are scarcely in a position to affect the process of price formulation, because of their vulnerable

¹ According to an interview in Saiburi District (in Pattani Province), retailers and distributors purchase fish from such a merchant at a higher price, ranging from 10 to 20 per cent, than the price at which he sells his produce to fish agents at Pattani Fishing Port and large-scale collectors in Narathiwat Province. This remarkable trend - whereby small retailers and distributors in a local market are confronted with rather higher prices than those at which a merchant distributes his produce to large markets - may be found throughout the country.

² The period of credit varies, and is dependent not only upon the amount of a particular purchase but also upon the characteristics of the purchaser. By way of example, a small retailer from the merchant's area is apparently given one or two days credit, while a distributor who delivers produce to retailers in the adjacent districts tends to pay over a longer period.

position in the commodity flow. The close relationship between the merchant and his local purchasers is similar to that between the merchant and producers. A favourable transaction is easily concluded in his immediate collection area, not only by means of advances to producers but also by providing local purchasers of produce with credit. On a nationwide scale, however, the prices in the merchant's major distribution area are determined by those traders who collect fishery produce in a large volume over a wide area and who organize their own marketing channels. As a result, this sort of merchant rarely dominates the flow of fishery produce outside his own collection area. Therefore, the merchant tends to be connected to other types of merchant, and to become a collector for them. Any fluctuations in purchase price as well as sale price in the area dominated by him, however, are greatly affected by the price level determined by an influential trader.

To summarize the main points of the discussion thus far, a merchant whose collection activities are carried out within a particular community tends to influence fishery production and distribution in a complex manner, as illustrated below. Apart from enjoying an exclusive relationship with producers, the merchant tightly controls household processing, too. Occasionally, the merchant gives out a contract for the processing of produce such as dried and salted fish instead of undertaking the activity himself. While supplying raw materials to small processors, he has exclusive rights to collect the processed goods and to market them. Therefore, as far as his work is concerned, a processor is not independent. The only thing he supplies to the merchant is his family's labour. Therefore, the ongoing flow of a commodity in terms of processing will be organized by the merchant. Yet the merchant sometimes engages in fishery operation with the fishing boats he possesses. Thus, from an economic point of view, the functions of a merchant in a fishing community tend to become diversified in order for him to cover all those activities related to fishery production and distribution in the area under his control¹. As we have noted previously, this tendency is usually perceived in those areas where the fishery business is undertaken mainly by the family members of a fishery household². There seems to be at least one or two merchants of this type at the apex of the production

¹ Hereafter, we will designate the aforementioned type of merchant "fishery collector", in order to distinguish him from "fish agents". Moreover, since a distinction must be made between this type of merchant and any other types in fisheries (all of them called "พ่อค้า" in Thai); fishery collector "ผู้รวบรวมปลา" might be a more exact description in the content of definition; however, our term is not a direct translation from the Thai.

² I have already discussed this point from a theoretical point of view by means of a thorough examination of the relationship between a fishery collector and an artisanal fishery. "Characteristics of household managements in the artisanal fishery" (Chapter V, "Fisheries Economics (I)", SEAFDEC, 1986).

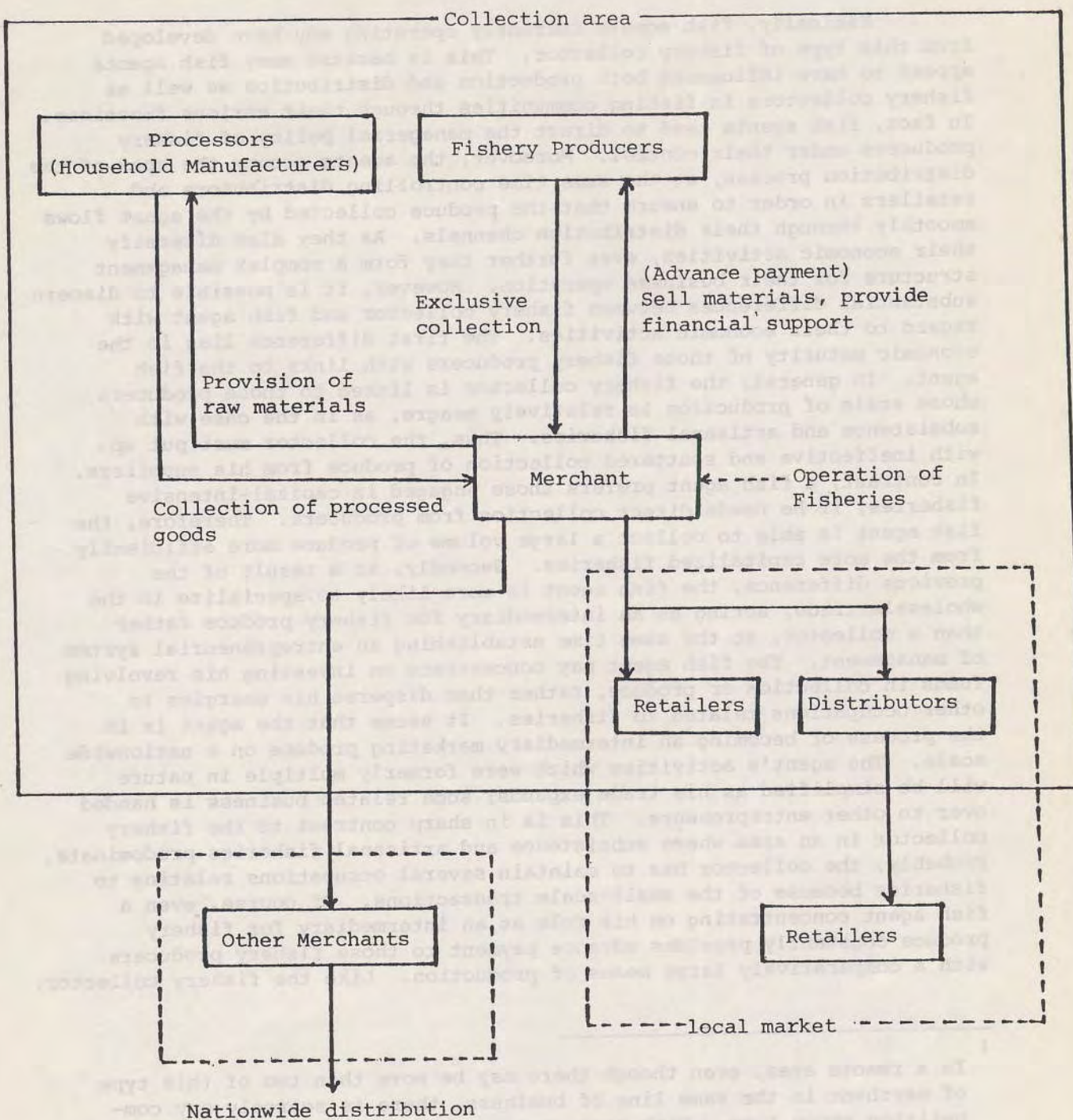


Diagram I-1 Model of a merchant's activities in a community.

and distribution pyramid in a fishing community¹, besides the other types of merchant who handle fishery produce over a scattered area.

Basically, fish agents currently operating may have developed from this type of fishery collector. This is because many fish agents appear to have influenced both production and distribution as well as fishery collectors in fishing communities through their various functions. In fact, fish agents tend to direct the managerial policy of fishery producers under their control. Moreover, the agents occupy the apex of the distribution process, at the same time controlling distributors and retailers in order to ensure that the produce collected by the agent flows smoothly through their distribution channels. As they also diversify their economic activities, even further they form a complex management structure for their business operation. However, it is possible to discern substantial differences between fishery collector and fish agent with regard to their economic activities. The first difference lies in the economic maturity of those fishery producers with links to the fish agent. In general, the fishery collector is linked to those producers whose scale of production is relatively meagre, as in the case with subsistence and artisanal fisheries. Thus, the collector must put up with ineffective and scattered collection of produce from his suppliers. In contrast, a fish agent prefers those engaged in capital-intensive fisheries, if he needs direct collection from producers. Therefore, the fish agent is able to collect a large volume of produce more efficiently from the more capitalized fisheries. Secondly, as a result of the previous difference, the fish agent is more likely to specialize in the wholesale trade, acting as an intermediary for fishery produce rather than a collector, at the same time establishing an entrepreneurial system of management. The fish agent may concentrate on investing his revolving funds in collection or produce, rather than disperse his energies to other occupations related to fisheries. It seems that the agent is in the process of becoming an intermediary marketing produce on a nationwide scale. The agent's activities which were formerly multiple in nature will be simplified as his trade expands; some related business is handed over to other entrepreneurs. This is in sharp contrast to the fishery collector in an area where subsistence and artisanal fisheries predominate. Probably, the collector has to maintain several occupations relating to fisheries because of the small-scale transactions. Of course, even a fish agent concentrating on his role as an intermediary for fishery produce constantly provides advance payment to those fishery producers with a comparatively large means of production. Like the fishery collector,

¹

In a remote area, even though there may be more than two of this type of merchant in the same line of business, there is scarcely any competition among them. With respect to my observation regarding Pattani Province, the two merchants agree to offer the same purchase price for fish and set prices for materials such as ice or fuel oil at the same level. Moreover, in situations where one merchant controls the distribution of produce, the particular area or group of producers under his control remain completely distinct from that of the other merchant's, and are not subject to change.

the fish agent must supply specific producers with the production materials they need, such as ice and fuel oil. As regards supplies, however, other entrepreneurs will often take the place of the fish agent with whom they are connected¹. As indicated below, the fish agent may be responsible for deferring expenses for fuel and ice, on condition that the recipient sells his produce to the agent.

Thirdly, another difference between the two traders is the form of their transactions with fishery producers. A collector is more likely to depend on the purchasing of produce; in contrast, a fish agent may accept produce consigned to him by fishery producers. Of course, not all fish agents always pursue this form of transaction, as will be pointed out later. However, in direct proportion to an increase in transactions made with unspecific purchasers and sellers, the agents steadily reduce the amount of produce they purchase. This is because large transactions require that a large part of the agent's revolving funds be tied up in the marketing of produce. Accordingly, the fish agents purchasing fishery produce need more and more funds at their disposal than those who will accept produce on consignment. Furthermore, a fishery producer who has been independent of fish agents and traders may hesitate to sell his produce to them. Generally, the consignment method allows the producer to receive a price for his produce which is nearly equivalent to the

1

At the same time, we find that many fish agents branch out into several types of business, the same as fishery collectors. As a whole, however, the agents manage each business on a larger scale than the collectors. Naturally, their business administration tends to become entrepreneurial as a result. Sometimes, the activities of a fish agent are combined with related occupations (including fishery operation); by combining these diverse activities, a conglomerate is formed by making efficient use of family members. By way of example, in the Samut Sakhon Fish Market, one member of a particular family set himself up as a fish agent to sell the catch from those trawlers operated by his family. Subsequently, this particular fish agent extended his collection activities to other trawlers. In the process, the family opened a fuel station in order to make it easier for the agent to enlarge the volume of produce he was able to collect through the advance provision of fuel to trawlers. Currently, each business appears to be carried out independently, depending on the particular assignments of the family members. Ultimately, however, this family is able to attain even greater benefits from their multiple activities by reciprocally combining them. Such a conglomerate might go a long way to the advancement of a fish agent's activities. Of course, the conglomerate (consisting mainly of family members and relatives) depends on capital-intensive fisheries, not on subsistence and artisanal fisheries.

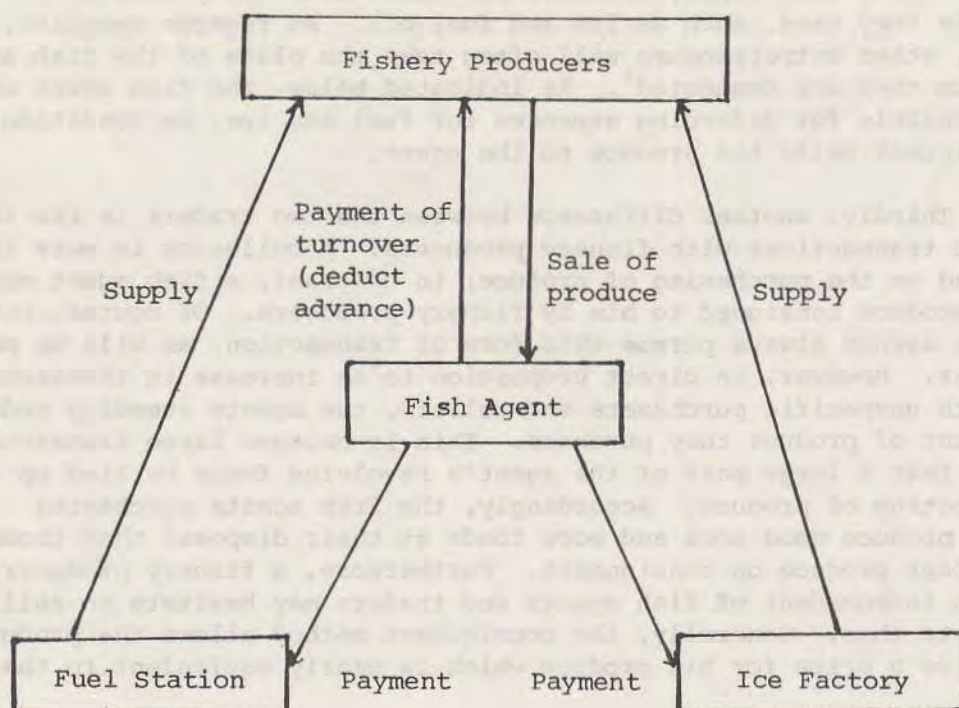


Diagram I-2 Links between fish agents and other enterprises

market price. The producer only has to pay a commission to a fish agent. With regard to this particular aspect, it is necessary to distinguish a fish agent from a fishery collector. That is, a fish agent tends to depend mainly on commissions derived from transactions of produce while a collector derives his benefit from the difference between purchase price and sale price. Consequently, a fish agent is really a commission wholesaler.

The fourth difference is the extent of the area over which each can distribute the fishery produce he has collected. Broadly speaking, a fish agent deals in the long-distance transportation of produce in volume, with the exception of his immediate market. The distance involved in transportation is far beyond the boundaries of a province. Clearly, most fish agents regard the long-distance transportation of produce as more important, with some of them, such as the agents in South Thailand, channeling a great stream of produce to the neighbouring countries. On the other hand, a fishery collector appears to favour transportation to

nearby within his province¹. Possibly, there are cases where many fishery collectors transport some species directly from small production areas to large consumer markets². However, insofar as their collection activities are based mainly on artisanal and subsistence fisheries within a limited area, it is difficult for them to deal in a large volume of produce. Furthermore, there is yet another difference between the fishery collector and the fish agent. Fish agents are normally located at large landing places, or large consumer markets, while the fishery collectors seem to be scattered in small fishing communities. Accordingly, the fish agents who gather together at such a landing or assembly point, when taken together, can create a substantial flow of fishery commodities. Furthermore, at a landing place such as a fishing port managed by the FMO, the activity of fish agent stimulates investment in other related businesses, like ice plants, cold storage and land transportation. The subsequent concentration of marketing facilities further encourages the fish agents to actively absorb fishery produce in their adjacent areas. Therefore, the gathering of fish agents at a particular place leads to the convergence of fishery produce in a particular area, such as a province. Often, the movement of some fish agents from one place to another completely alters the existing flow of produce in a certain area. It can in fact be perceived that one particular landing place, which used to be the largest

¹ A preliminary report of the marine fishery census (in 1985) indicated that there were 1501 fish dealers conducting business within their own province and declining to venture further afield. Notably, Southern Thailand, where subsistence and artisanal fisheries predominate, shows a high percentage of this kind of dealer.

"รายงานผลเบื้องต้นสำมะโนประมงทะเล พ.ศ. ๒๕๒๘" ("Preliminary report 1985 census of marine fishery") National Statistical Office, Department of Fisheries.

² Particularly in areas near to large consumer markets, even a small fishery collector can market his produce outside his own particular province, without going through any intermediaries. For instance, a collector in Rayong Province transports fish direct to the Bangkok Wholesale Market (of the FMO) and wholesale markets in Chonburi Province. Author: "A brief report of socio-economic state in Ban Ao Makham Pom", unpublished, SEAFDEC).

one in the province, has completely lost its preminent position due to the disappearance of fish agents¹. Conversely, if a newly constructed fishing port can encourage fish agents to set up business there, its construction would have tremendous impact on the existing stream of produce in the area. In reality, even during the short-term, a new fishing port, where fish agents begin to actively collect and transport the produce landed there, will become a center of distribution for a wide area even though it used to be a small landing place². Thus, the fish agents at a particular place cause scattered flows of fishery produce to converge there, and speed up the formation of an assembly point or terminal market covering a wide area. In addition, a fishery collector organizes the distribution of produce in his immediate area; however, he never seeks to expand in that area. This is because fishery collectors perform collection and distribution in small areas in collaboration with household fisheries. Ultimately, this fundamental difference between collectors and fish agents will result in a stratified marketing system; in other words, the fish agents exert their influence to combine the commodity flows generated by fishery collectors with their own.

1

Once, at Surathani Fishing Port, a large volume of produce used to be unloaded from a number of fishing boats; this fishing port was acknowledged as the main assembly place in Surathani Province. However, the construction of the express-way meant that other districts (Don Sak and Khanom) became more convenient landing places because of the shorter distance to the fishing grounds. Inevitably, the fish agents at the port moved in order to collect fish at these new landing places, as a result of which the number of fishing boats putting in to the port has rapidly decreased. Now the fishing port is becoming a place where traders receive fishery produce from other places by land transportation and distribute it to mainly local markets.

2

For instance, in Phangnga Province, a fishing port was constructed by the provincial government of Kuraburi District (at the outset of the 1980s). Previously, the amount of fish landed in this district was almost equivalent to that of another district (Takuapa). Subsequently, however, the former district developed as the biggest landing place in the province while the other continued to stagnate in terms of the amount of fish landed there. Moreover, the sole fish-meal factory in the province began production in 1984 in Kuraburi District. Thus, an investment in new landing facilities towards which fish agents can gravitate will, even nowadays, cause a drastic change in the flow of produce. The above explanation is supported by the following statistics:

"The Landing Place Survey, 1980-1984", "Statistics of Fisheries Factory, 1980-1984" (Department of Fisheries).

Thus, we will characterize fish agents as organizers of production and distribution over a wide area. As fisheries have become capitalized, agents have entered into a process of entrepreneurialization in order to organize large-scale transactions and effectively manage long-distance transportation. Instead of diffused collection, the fish agents have tried relying on mass collection linked to a huge demand. This has greatly encouraged the formation of several kinds of market absorbing the formerly diffused commodity flow. Therefore, the expansion of the agents activities may well have stimulated the rapid development of the Thai fisheries.

2. Classification of fish agents

An attempt to classify the various categories of the existing fish agents will lead to an understanding of the remarkable manner in which their activities affect the Thai fish market. It would seem that there are a number of distinct types of fish agent each of which functions differently with respect to the distribution process of fresh marine fish, although all of them act as intermediaries as regards the commodity flow between seller and purchaser on a nationwide level. It is worth noting that some fish agents organize auctions thus facilitating large-scale transactions between unspecified sellers and purchasers. On the contrary, some have set up a closed system in terms of the commodity flow, consisting of specified sellers and purchasers. In order to identify the various categories of fish agent, several criteria have been applied including, source of collection and destination of the collected produce. Existing fish agents may be divided into approximately five categories, as indicated in Table I-2. It is possible, however, to divide them even more approximately into three groups according to the features of each. In more specific terms, the first group (Category (I)) act as an intermediary in the distribution of produce in a large consumer market. In contrast, the second group (Categories (II) and (III)) are normally located at a large landing place; therefore, this group is nearer to actual fishery producers than the first group. The third group, which, unlike the second, has little direct connection with fishery producers, tends to specialize in the long-distance distribution of produce (Categories (IV) and (V)). Hereafter, however, we will concentrate on the first group in order to examine the activities of these fish agents in more detail.

A fish agent of the first category is a commission wholesaler who receives fishery produce on consignment from unspecified sellers and channels it to unspecified purchasers. Normally, this kind of fish agent acts as an intermediary, whose function is to facilitate smooth, mass-transactions in a consumer wholesale market, an example being the fish agents at the Bangkok Wholesale Market (of the FMO). In order to satisfy the great demand for fish, a fish agent is required to establish

Table I-2 Categories of Thai fish agents (mainly for fresh marine fish)

Category	Characteristic	Collection	Distribution	Location	Others
Category (I)	Commission wholesaler (mainly consignment)	From unspecified sellers (widely linked to collectors and fish agents)	To unspecified purchasers	In consumer areas	
Category (II)	Commission wholesaler (coexistence of consignment and purchase)	Not from unspecified sellers (closely linked to producers)	Tends towards unspecified purchasers	In major production areas {Mainly in Central Thailand}	
Category (III)	Wholesale merchant (mainly purchase)	Not from unspecified sellers (more closely linked to producers)	Not to unspecified purchasers {tends to integrate particular distributors}	In major production areas {throughout the country, particularly in the South}	Tends to depend on exclusive collection and distribution
Category (IV)	Trader for distance (mainly purchase)	Widely from unspecified sellers (from other fish agents and collectors)	To unspecified purchasers	In assembly areas	For distribution, invests in facilities
Category (V)	Trader for distance (mainly purchase)	Not from unspecified sellers	To specified purchasers	In major production areas	Unsteady collection

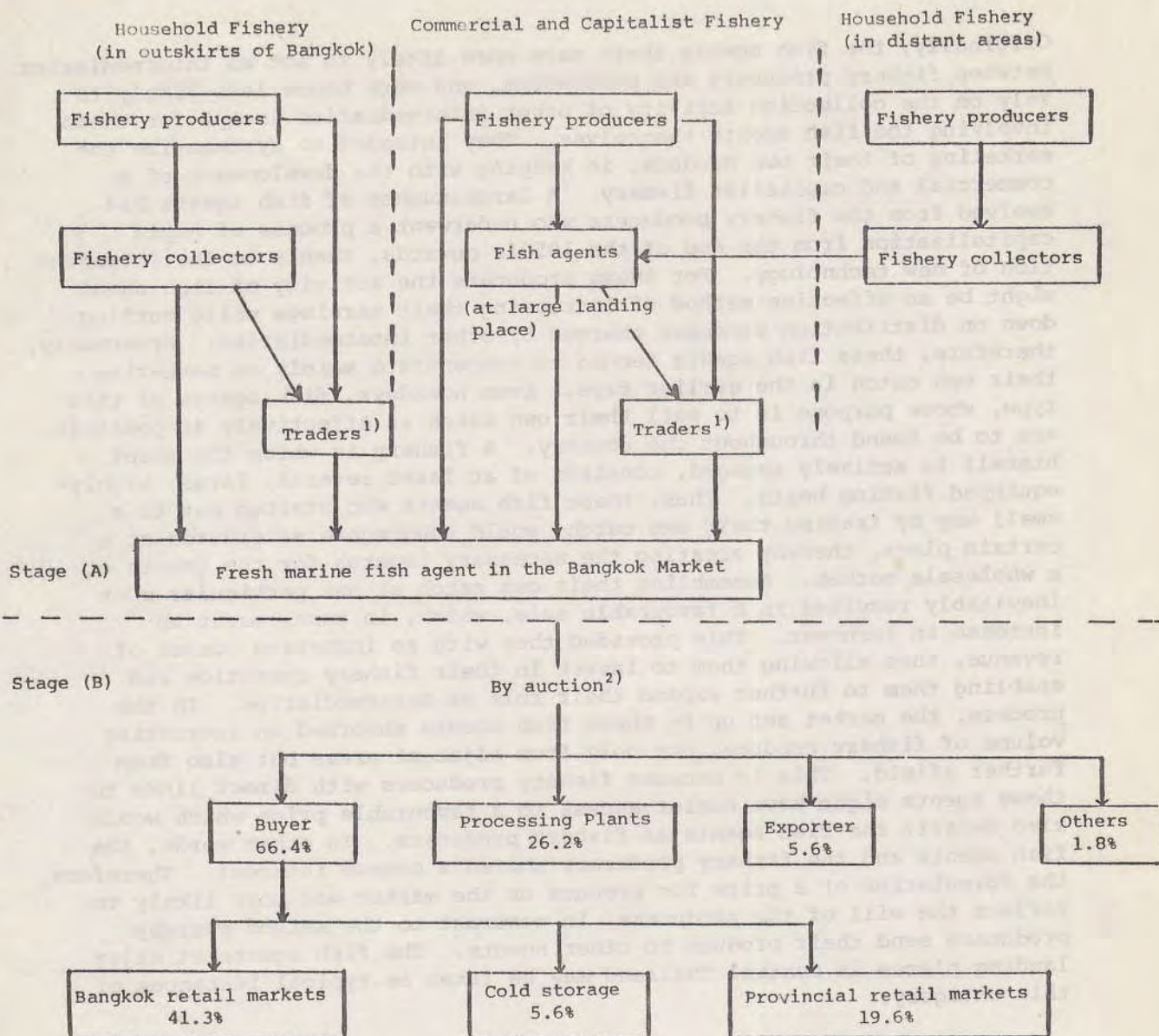
connections with unspecified traders such as fishery collectors and other fish agents, rather than actual fishery producers. This is merely because the fish agents in a consumer market prefer to take receipt of a large amount of produce at one time rather than have it dispersed. Inevitably, the collection channels of a particular fish agent tend to be diversified. By way of example, a fish agent in the Bangkok Wholesale Market depends on at least five channels in order to collect fishery produce, as shown in Diagram I-3. To begin with a household fishery on the outskirts of Bangkok (mainly in Central Thailand, and to a certain extent in Eastern Thailand) may be linked to the fish agents in the Bangkok Market through two distinct channels. The first channel is through fishery collectors who collect produce almost exclusively by means of advance payment. Yet another channel is formed by those traders who purchase produce from collectors or producers. In the event that a fishery collector in a particular fishing community is satisfied that he has an abundance of produce, a small trader with connections to the collector will pick the residual instead. Alternatively, a trader will receive large volumes of produce either from small collectors or directly from producers. The aforementioned intermediaries draw up a contract with the fish agents at the market in accordance with the FMO's Act, whereby the latter receive produce on consignment. After the auction the agents will pay the sum received for the consignment to the consignors having deducted a commission fee of 6 per cent. However, a fish agent seldom enjoys direct links to a household fishery, since the collectors and traders usually pay for the household's produce on the spot, in cash. On the other hand, capital-intensive fisheries create three different channels for the distribution of their produce to the fish agents at the market. Firstly, the producers in these fisheries transfer their produce to the agents directly without going through any intermediaries, the contract between the two parties specifying "on consignment." Secondly, a fish agent at a landing place arranges the transportation of fishery produce for the producers. Probably, the producers have two choices in any transaction with the aforementioned fish agent. In the same way as a fishery collector, a fish agent at a landing place purchases fishery produce from the producers. Otherwise, the only way in which the fish agent is involved in the marketing side is by entering into a contract with the producers to accept produce on consignment. In return, the agent will charge a certain commission; consequently, the producers will be charged two different commissions, not only by the agent at the landing place but also by the other agent in the Bangkok Market. Thirdly, a trader may channel produce from a landing place to the Market. The trader may possibly purchase produce from a fish agent there who usually specializes in the purchasing of produce. Of course, the trader's intention is to establish a direct line to the producers. Thus, producers in commercial and capitalist fisheries maintain a more flexible link to the fish agents at the Bangkok Market rather than those in household fisheries.

There is yet another channel for the location of produce obtained from a household fishery in a remote area. A fishery collector faced with the problem caused by the scattered production of household fisheries would much prefer to sell the produce to fish agents (or traders) at a large adjacent landing place rather than transport it to market by himself. It would seem that the substantial expense involved in marketing produce in a distant locality is disproportionate to the small volume he is likely to collect. As illustrated above, the produce from a household fishery has to pass through the hands of a collector and an agent before reaching the Bangkok Market¹. Thus, a fish agent in a consumer market attempts to diversify the channel by which he is able to receive produce, which is remarkable especially when compared to other types of fish agent. Therefore, the fish agent maintains a flexible system in that he has a choice of collection channel. To a certain extent, however, the agent dominates the activities of a number of consignors in the field of collection for the purpose of increasing the volume of each particular consignment, which, in turn, will determine the size of the agent's commission. In order to sustain a steady supply of produce, a fish agent may encourage suppliers to consign their produce to him by providing them with sufficiency. As for fishery collectors and other fish agents with close ties to producers, the financial support that the fish agent in the market extends to them will be one means of establishing an exclusive right to collect produce from a source. Thus, the fish agent sets up his own clearly-defined system of channels, thereby maintaining close links with other agents and collectors (or producers) as well. Such a stratified system, however, is subject to modifications depending upon the economic growth of collectors and other agents. Moreover, in direct proportion to the increase in market demanded, a fish agent has to further depend on unspecified suppliers while maintaining contact with the specified ones. Although initially the fish agent may have a certain advantage over sellers of fishery produce, he will soon need to transact business with unspecified sellers because of the rapid increase in demand on the part of unspecified purchasers.

Although the second category of fish agent follows the same pattern as the first to a certain extent, a vast difference is discernible between them, especially in their links to fishery producers. Normally, a fish agent of the second category is located at a large landing place* or at a major assembly point where the fishery has burgeoned and the marketing and processing facilities demand a large volume of produce.

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Apart from the assumption thus far, there is a report illustrating the marketing channels of a fish agent in the Bangkok Wholesale Market. Refer to "รายงานศึกษาวิจัยแฟปลา (Report of Fish Agent Research Study)" (Department of Commercial Economy, Ministry of Commerce, 1975).



¹⁾ "Traders" must be distinguished from fishery collectors and fish agents. They are often dominated by collectors and agents in a production area; moreover, their collection from producers is not always steady as is that of the others.

²⁾ The produce, not through auction, handled on the Bangkok Market accounted for 12.5 per cent of total value (in 1984).

³⁾ "Stage (A)" is based on the author's assumptions while "Stage (B)" originates from "Fishery Record 1984" (of the FMO).

Diagram I-3 Marketing channels in the Bangkok Wholesale Market

Originally, the fish agents there were more likely to act as intermediaries between fishery producers and purchasers, and were hence less likely to rely on the collection activity of other intermediaries except for those involving the fish agents themselves. They intended to systematize the marketing of their own produce, in keeping with the development of a commercial and capitalist fishery. A large number of fish agents had evolved from the fishery producers who underwent a process of rapid capitalization from the end of the 1950's onwards, thanks to the introduction of new technology. For these producers the activity of fish agent might be an effective method of increasing their earnings while cutting down on distribution expenses charged by other intermediaries. Presumably, therefore, these fish agents tended to concentrate mainly on marketing their own catch in the earlier days. Even nowadays, fish agents of this type, whose purpose is to sell their own catch as effectively as possible, are to be found throughout the country. A fishery in which the agent himself is actively engaged, consists of at least several, large, highly-equipped fishing boats. Thus, these fish agents who started out in a small way by trading their own catch, would congregate afterwards at a certain place, thereby creating the necessary impetus for the growth of a wholesale market. Assembling their own catch at one particular spot inevitably resulted in a favourable sale, which, in turn, meant an increase in turnover. This provided them with an increased source of revenue, thus allowing them to invest in their fishery operation and enabling them to further expand their role as intermediaries. In the process, the market set up by these fish agents absorbed an increasing volume of fishery produce, not only from adjacent areas but also from further afield. This is because fishery producers with direct links to these agents might have easier access to a favourable price which would also benefit the fish agents as fishery producers. In other words, the fish agents and the fishery producers shared a common interest. Therefore, the formulation of a price for produce on the market was more likely to reflect the will of the producers, in contrast to the method whereby producers send their produce to other agents. The fish agents at major landing places in Central Thailand may be taken as typical instances of this category.

Fish agents belonging to the second category are not as diversified with regard to collection channels as those belonging to the first category. This is merely because the type of market described in the previous paragraph is not the same as a large consumer market which, by its nature, creates a huge number of transactions in terms of selling and purchasing by its unspecified components. Normally, a fish agent at a landing place brings fishery producers, whose production scale is relatively large, under his control. The collection of fishery produce, therefore, depends mainly on specific fishing boats while the agent handles his own catch along with others. One particularly effective method of ensuring that the produce is collected is by regulating the provision of operating funds which an agent advances to particular producers for their fishing trips. Naturally, these producers will then be under an obligation to



transfer their produce to the same agent in the future. Such a marked contact seems to be similar in nature to the relationship between small producers and fishery collectors. Any transaction between the two parties, however, is more likely to adopt the form of consignment of produce. In other words, the producers are obliged to turn over their catch to the agent (on consignment), but not necessarily to sell it to him outright. The produce thus consigned will be destined for the various outlets built up by the fish agent or put up for sale at auctions conducted by him. In either case, a producer will receive payment after commission and any operating funds advanced to him have been deducted from the total sale¹. This kind of transaction seems to have become gradually more widespread in capital-intensive fisheries, alongside the more traditional approach by which a fish agent purchases all his produce. In general, those who do not have to depend too heavily on mercantile activities tend to prefer consigning produce to a fish agent. Conversely, those who must continue to rely heavily on an agent may, unconditionally, sell all their produce to him. Apparently, the consignment of produce by producers is most popular in those areas where fisheries have undergone intensive capitalization e.g. in Central Thailand. There, a fish agent often prefers to purchase produce outright rather than any other form of transaction, as long as the situation remains to his advantage, given the producers economical reliance on the agent's activities. The difference between the purchase price and the sale price is probably more beneficial than a flat commission. Unlike the first category of agent, this type makes allowances for purchase and consignment to exist in conjunction with one another, which comes about due to the close links they enjoy with fishery producers. In addition, the maintenance of links to fishery producers is also characteristic of the third category of agent, although this type is more likely to prefer the outright purchase of produce than the second.

Furthermore, it is necessary to point to another characteristic of the second category of agents, namely: the positive establishment of branches as well as fostering contact with other fish agents, in other landing places. In order to keep pace with development in offshore and deep-sea fisheries, especially if a fish agent relies to a significant extent on the catches of these fisheries, he extends his collection and transportation system to the various parts of the country. It is remarkable that fish agents in Central Thailand tend to transport produce caught by the fishing boats under their control over great distances from their landing places to a wholesale market or an assembly point where they can market it at favourable prices. The stable and efficient collection of produce further spurs an agent to establish a branch or to

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The standard rate for commission fees is 5 per cent of the total sale which is, in fact, equivalent to that which the fish agents in the Bangkok Wholesale Market receive.

make an agreement with other fish agents, mainly in Southern Thailand. Often the catch unloaded there will be transported to a fish agent in Central Thailand and sold through that agent's marketing channels¹. Accordingly, the second type of fish agent may have acquired a great deal of power in building up his own market, depending on the rapid growth of capital-intensive fisheries. However, in the wholesale market, these fish agents do not attract as many purchasers as the first category. Regardless of the fact that such a market is located on the outskirts of Bangkok, the market probably faces difficulties in providing sufficient abundance to the various retail markets. This is not merely because the local market demand is not sufficiently large², but also because the fish agents in the Bangkok wholesale markets appear to exert a great deal of influence on the huge retail markets³. Instead, the fish agent has apparently attempted to foster close connections with the various elements of the processing industry such as cold storage, fish meal and fish sauce factories, as is the case in Samut Sakhon Province. In other words, an abundant amount of raw materials have been supplied to these factories by the fish agent. For instance, even in 1984, the majority of fishery produce sold by auction at the Samut Sakhon Market was destined for processing factories and cold storage facilities.

Thus, the fish agents, dealing with fishery produce from comparatively capitalized fisheries in Central Thailand, initially simplified their collection channels mainly by dealing with the fishing boats under the agents control. Furthermore, no attempt seems to have been made to diversify the existing distribution channels. Later, the markets formed by these fish agents gradually expanded their collection and distribution

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For instance, in Phuket Province, a fish agent provides the unloading and transportation services for fishing boats connected to a specific agent in Central Thailand. The fishery produce is not sold in Phuket, except for trash fish marketed to a fishmeal factory. According to an interview, the fresh marine fishes sent to the fish agent in Central Thailand accounted for nearly 90 per cent of the total. The agent in Phuket concentrates only on channeling unloaded produce to the other, while receiving a certain percentage of the commission charge (2 per cent, but it can alter).

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The Samut Sakhon Fish Market where this category of agents have gathered (managed by the FMO) distributed only 2 per cent of total auction value to the local retail markets in 1984. ("Fishery Record 1984", FMO).

3

It is said that the purchasers distributing fishes to the Bangkok markets have recently gravitated to the Samut Sakhon Fish Market. In reality, the percentage of the value distributed there increased from 16 (in 1981) to 20 per cent of total auction value (1984). ("Fishery Record 1981, 1984" FMO). However, this increasing percentage does not seem to be sufficiently high, judging from the distance between Bangkok and there.

channels. The major impetus behind this was the fact that capitalist and commercial fisheries in Central Thailand continued to move to the South to unload their catch there. This southward movement encouraged the fish agents to set up a nationwide collection network by linking up with other agents or by establishing branches, as has been pointed out previously. Through this process fishery produce which had been marketed in other places commenced, in rather a different manner, to flow into their channels. There was, however, another factor which attracted collectors and other fish agents causing them to gravitate to a market where this type of agent congregated, namely, that the market was intrinsically different from the others. For instance, the market was likely to be influenced to a greater extent by the will of the fishery producers themselves, especially considering the fact that a great many fish agents had evolved from those engaging in capital-intensive fisheries, and even nowadays continue fishing operations. Manifestly, their economic interests did not always coincide with those of other types of agent who tended to concentrate in the area of wholesale commerce. The marketing activities of fish agents (Category (II)), in terms of a common interest, might coincide with the interests of fishery producers. Moreover, when compared with household fisheries, the fisheries linked to these fish agents appear to have been more independent of mercantile activities. This has resulted in a flexible market structure. The process of price formulation was less likely to be decided arbitrarily by the specified components of a market. In other words, the fishery producers and other suppliers of produce could easily arrive at a price approaching its real value, coincidentally with the expansion of consignment. Through these factors, the market organized by the fish agents has rapidly expanded its influence upon the commodity flow nationwide. By way of example, the operation of auctions in the Samut Sakhon Fish Market has encouraged more suppliers of fishery produce to gather there, accompanied by a remarkable increase in purchasers¹. It would seem that the fish agents in the market have modestly, but steadily diversified their collection channels, like those in the Bangkok Fish Market. The distribution channel has been diversified at an accelerated pace, too. These changes of the market structure have resulted from the rapid growth of capital-intensive fisheries which used to be alienated from a market.

In comparison to the previous two categories, the third type of fish agent is more closely linked to fishery producers. To a certain extent, this category has a number of points of similarity to the fishery collectors regulating fishery production and distribution in fishing communities. In another respect, a fish agent of the third

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Of course, such remarkable development is based on the existence of a great demand for fish in Bangkok, too.

category is also similar to the second category, in the sense that the producers with whom he transacts his most important business normally engage in commercial and capitalist fisheries. Presumably, this category of fish agent is more likely to relate to capitalized fisheries than a fishery collector on the whole, but less likely to link to highly capitalized fisheries than the second category. This category is considered to be a typical one which influences the production and distribution of comparatively large-scale fisheries at large landing places throughout the country.

A fish agent at a major landing place normally integrates the economic activities of specified producers with those of the agent by providing them with the advanced payment they need. Besides regulating advances for the daily fishing activity, the producers frequently demand financial support from the agent whenever the need for a large investment arises. Few producers can independently continue to carry on their fishing business without raising funds for operating and investment from fish agents. Therefore, even those who engage in relatively capitalized fisheries are seldom connected with more than one fish agent; mostly, they come under the control of one specific agent. Moreover, the producers who are linked to an agent do not often change to other agents because of the continuous and effective financial support they receive from him. Thus, the relationship between producer and fish agent is one of close cooperation, but it is by no means of a fragile nature¹. Therefore, a fish agent may market produce exclusively supplied by such specified producers under his control. Of course, the second category of fish agent shows a more or less marked tendency towards the formation of close relationships with producers, as well. However, the crucial difference between the two categories is in the form of the actual transaction with the producers. Ordinarily, a fish agent of this category purchases produce according to the price he offers. In contrast, the other kind of agent prefers to take produce on consignment. This notable difference is basically caused by the degree of the producers economic independence from the mercantile activities, as pointed out

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Apart from the aforementioned reason, we can consider another factor for sustaining a close link between both parties: local relations. For instance, a fishing boat coming from another province is often committed to sell its catch to a specific agent who came from the same hometown as the boat's owner. On the other hand, the fish agent may have had a long standing relationship with another agent in his hometown; consequently, fishing boats controlled by the latter agent have transacted with the former whenever they had to sell their catch outside the hometown. This typical local bond relationship between a fish agent and his suppliers seems to be quite common. It was found that fish agents at large landing places in the South tend to depend on such local relationships when collecting fishery produce.

before¹. Naturally, the determination of price is usually in the hands of the fish agent, not in those of the fishery producers. The decision as to the purchase price is dependent on the trends at any given time, at a major outlet, which the fish agent considers to be the most important. Supposing a fish agent transfers collected produce mainly to Central Thailand, the wholesale price there will be taken as the standard in determining the purchase price from the fishery producers. Occasionally, there is a slight difference between the various fish agents in the purchase price of a certain species even within the same area, since each agent may adhere to a purchase price which the receivers of produce offer. Therefore, the agents different marketing channels may create a difference in the purchase price. More precisely, the sale price from producer to agent may fluctuate according to the trends of the agent's marketing channel.

On the other hand, a fish agent organizes his own system of distribution in a local market as does a fishery collector. However, the distribution network of an agent covers a rather wider area than that of a fishery collector; it covers the areas beyond a province for example. A fish agent attempts a different method of approach to distribution from that of the fishery collector's. Moreover, exclusive distribution in a local market characterizes this category of agent, since the second category tends to attract unspecified purchasers because of the auctions. Broadly speaking, fish agents at a large landing place seem to prefer a large gathering of distributors who are in a position to transfer a relatively large volume of produce, to the provision of produce to a large number of small traders over a scattered area. In collaboration with several distributors, a fish agent mediates fishery produce to a local market. The distributors, who are under exclusive contract to the agent, purchase produce and sell it to retailers and other small distributors. The more likely a fish agent is to assemble a nationwide distribution network, the more reluctant he is to deal with a large number of small traders, because direct cooperation with them would necessitate the disbursement of a greater amount in distribution costs. But, for the fish agent, the existence of local distribution is never negligible; if anything, the marketing of produce in a local market is preferable to the agent. Above all, the fish agent can easily boost the sale price of produce through an exclusive and advantageous contract with his distributors. This is because of the regulations governing the sale of produce on credit, although distributors often encounter unfavorable prices determined by the fish agent. The purchase price of distributors is normally adjusted to a price which the fish agent could find

¹ It is reported, that the catch by a large fishing boat is likely to be directed to consignment and auction. Conversely, the catch by a small fishing boat will be purchased by a trader, at the price he offers. In the case of otter board trawlers, the majority of catches by boats of less than 18 metres in length have the price determined by traders, while those of boats over 25 metres long go to auction. "อาชีพประมงทะเลกับสถาบันเกษตรกรรมประมง (Marine fishery and fishery institution)", Somying Rientrairut, Department of Fisheries, 1980.

acceptable in his major distribution area. Often, the distributors of the agent must unconditionally purchase at a higher price than that which the agent offers to other purchasers. Therefore, a closed market channel is of great benefit to the agent, even though the volume demanded by the distributors and other traders does not exceed that directed to the nationwide marketing network by the agent himself. In addition, fishery produce whose quality is inadequate for the requirements of nationwide distribution may be sold on the local market. To give a more concrete example: produce which cannot fulfill the standards required by an important trade connection will be directed towards a local market; however, such poor-quality produce will be sold at a higher price than if it were sold in a larger quantity in the nationwide distribution network. In this way, it is therefore possible for a fish agent to reduce the risks he runs in handling perishable produce. The closed marketing channels controlled by the agent often generate an unfavourable commodity flow in terms of the local consumer market.

As illustrated in Diagram I-4, a fish agent stands at the apex of a local distribution system, while functioning as a collector who also delivers produce to other fish agents or large purchasers. Ordinarily, the fish agent controls specific fishing boats through the provision of operating funds and distributes most of their catch not only to markets nationwide but locally as well. The flow of fishery produce from specific producers to various markets tends to be tightly controlled by the agent. As the distributors of the agent may also deal closely with specific retailers in a local market, the agent may indeed be said to command the local commodity flow. To a greater or lesser extent, each fish agent at a major landing place organizes his own distribution system separate from that of the other agents. The components of such an exclusive system are seldom flexible enough to move to the other exclusive ones, unlike those in a comparatively flexible system (wholesale market) such as that existing in Central Thailand. A restrictive and inflexible system is found throughout the country, especially in South Thailand. Here, we intend to pinpoint the difference between the two areas in terms of their marketing systems. The difference, in fact, is largely a result of the distinct organizational approach of the fish agents. Basically, the economic maturity of fishery producers - in other words, the extent to which they are able to operate their fisheries independently of fish agents - will have the greatest impact on the form of marketing system. Presumably, a fish agent of the third category appears as the organizer of a commercial fishery in an area where the fishing industry has been left totally undeveloped. Yet another contributory factor in stimulating the appearance of such a relationship between an agent and producers is the low capacity of their immediate local market. A fishery producer with a large means of production must attempt to seek outlets for his large catch at markets some distance from his immediate locality. This causes the producer to be far too dependent on a fish agent specializing in long-distance transportation of produce. The longer the distance from a large market, the more likely the third category of agent is to

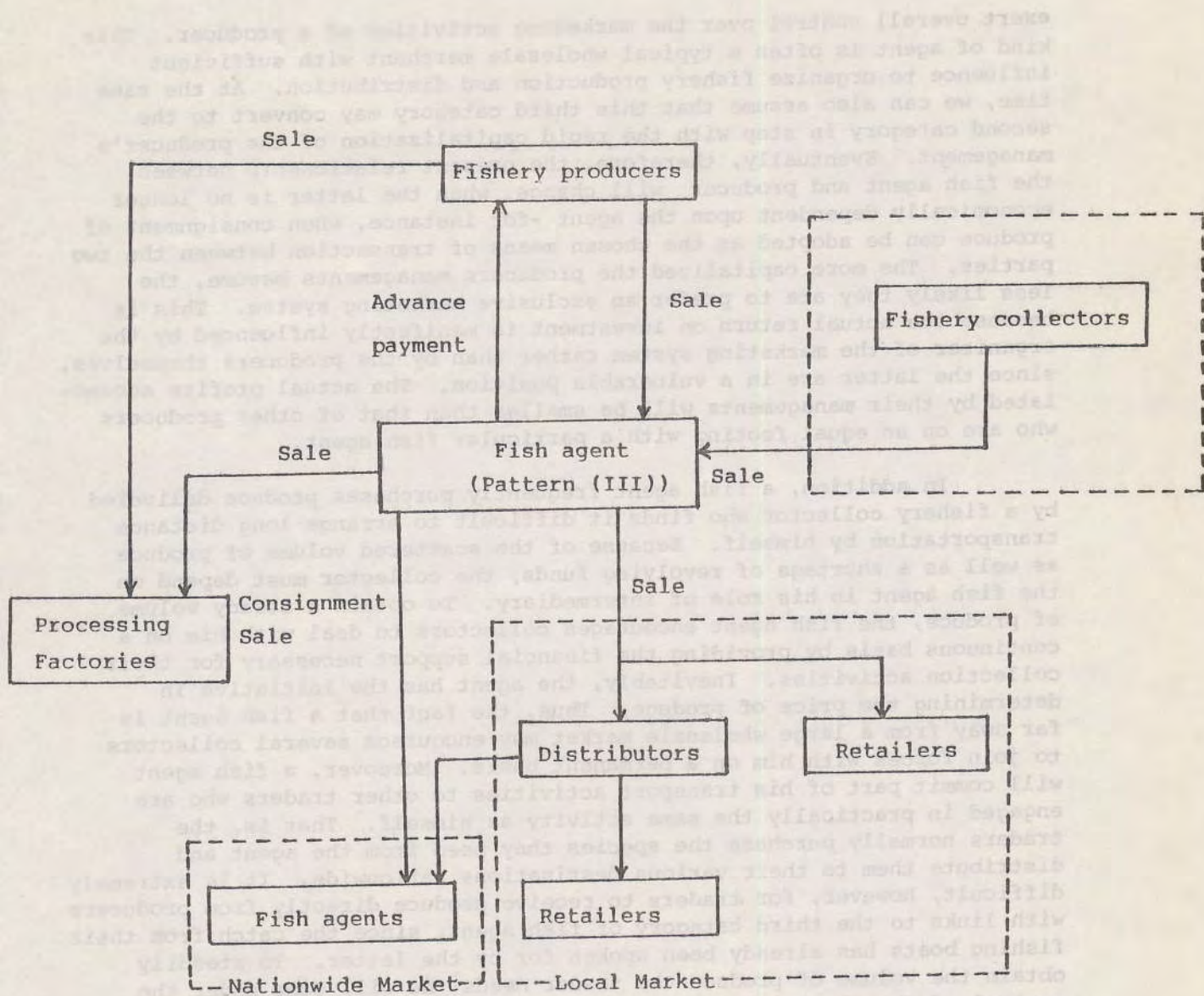


Diagram I-4 Marketing channels of fish agent (Type III)

exert overall control over the marketing activities of a producer. This kind of agent is often a typical wholesale merchant with sufficient influence to organize fishery production and distribution. At the same time, we can also assume that this third category may convert to the second category in step with the rapid capitalization of the producer's management. Eventually, therefore, the present relationship between the fish agent and producer will change, when the latter is no longer economically dependent upon the agent -for instance, when consignment of produce can be adopted as the chosen means of transaction between the two parties. The more capitalized the producers managements become, the less likely they are to prefer an exclusive marketing system. This is because the actual return on investment is manifestly influenced by the organizer of the marketing system rather than by the producers themselves, since the latter are in a vulnerable position. The actual profits accumulated by their managements will be smaller than that of other producers who are on an equal footing with a particular fish agent.

In addition, a fish agent frequently purchases produce delivered by a fishery collector who finds it difficult to arrange long distance transportation by himself. Because of the scattered volume of produce as well as a shortage of revolving funds, the collector must depend on the fish agent in his role of intermediary. To obtain a steady volume of produce, the fish agent encourages collectors to deal with him on a continuous basis by providing the financial support necessary for their collection activities. Inevitably, the agent has the initiative in determining the price of produce. Thus, the fact that a fish agent is far away from a large wholesale market may encourage several collectors to join forces with him on a permanent basis. Moreover, a fish agent will commit part of his transport activities to other traders who are engaged in practically the same activity as himself. That is, the traders normally purchase the species they need from the agent and distribute them to their various destinations nationwide. It is extremely difficult, however, for traders to receive produce directly from producers with links to the third category of fish agent, since the catch from their fishing boats has already been spoken for by the latter. To steadily obtain the volume of produce the trader needs, he will come under the control of the fish agents. Thus, this third category of fish agent comes to dominate the flow of fishery produce at a large landing place.

Meanwhile, we can perceive the existence of another two categories -(IV) and (V) -which must be distinguished in terms of their economic function from the previous one. These categories normally control the commodity flow between other intermediaries, rather than between fishery producers and intermediaries, like the first type of agent; they tend to specialize in the role of intermediary on a wholesale basis. They collect produce from relatively large-scale traders of produce such as other types of fish agent, and direct it to destinations nationwide through their own marketing channels. It would seem that their function

is similar to that whereby distributors link up with a fish agent, as happens in the third category; however, the actual volume collected is much greater than that of the distributors, or may exceed that of those fish agents cooperating with specific fishery producers. In particular, a fish agent belonging to Category (IV) extends his collecting activities over a wider area and generates a large stream of produce from unspecified fishery collectors and fish agents at various landing places. This gathering-together of agents will eventually lead to the formation of a large assembly place, such as that found in Hat Yai city (in Songkhla Province). There, the fish agents purchase produce from many large suppliers, and seek outlets mainly in neighbouring countries, namely, Malaysia and Singapore, while arranging effective land transportation and investing in facilities vital to their marketing needs. Since these agents have successfully organized a long-distance transportation network for fishery produce, they are for the most part free to set the purchase price when dealing with their suppliers.

There is yet another classification similar to the preceeding type -Category (V) - long-distance transportation. However, this category is ordinarily located at large landing places, and collects fishery produce partly from fishery producers and partly from fish agents with exclusive rights to the catch landed. Unlike Category (IV), the collecting activities of this type do not extend over a wide area nor do they deal exclusively with other intermediaries in the wholesale trade. Accordingly, the volume handled by them seems to be rather smaller than Category (IV), and the extent to which they control their immediate distribution network is not as great as that of the other types. One great obstacle is the fact that the collection of produce often proves unreliable, as other types of agent (especially Category (IV)) exert a large degree of control over the flow of produce at the landing place. A fish agent in Category (V) often has to depend on the residual from the others collection activities. Moreover, the fish agent may adhere to a purchase price which other types of agent offer to fishery producers. Of all the classifications of fish agents, therefore, this category appears to be in the weakest position. It seems to have certain characteristics in common with those traders who have connections to a fish agent of the third category. However, a fish agent of this category is less likely, when compared with other traders, to be in an economically vulnerable situation, since he tends to strengthen his ties to the fish agents at other landing places in order to enlarge the volume that he handles. Moreover, the agent strives to deal directly with those fishery producers who sell their catch independently to any fish agents at the landing place.

In addition, the fish agents in Categories (IV) and (V) exist mostly in Southern Thailand where they find the long-distance transportation of produce most attractive.

In Thailand, at least five categories of fish agent have come into existence, controlling the commodity flow throughout the country. Moreover, the activities of fish agents have influenced the existing fisheries with which they are connected. At the same time, we may conclude that the marketing system as set up by a certain type of agent presents a completely different picture from that of other types. Apparently, the pattern of activity followed by each particular type has been determined mainly by immediate conditions with regard to marketing and production. On the other hand, the activities of each fish agent influence these conditions differently to form a distinct link to fishery producers and other related traders. It is worth noting that the marketing system, consisting of producers and all kinds of fish traders, is flexible, and may change depending upon the level of development of a particular fishery as well as upon the expansion of a market area. In this respect, this rough grouping suggests a process of development with regard to fish agent's activities which coincides with the development of a particular fishery.

II Marketing Systems Organized by Fish Agents

——— A case study at the Songkhla Fishing Port ———

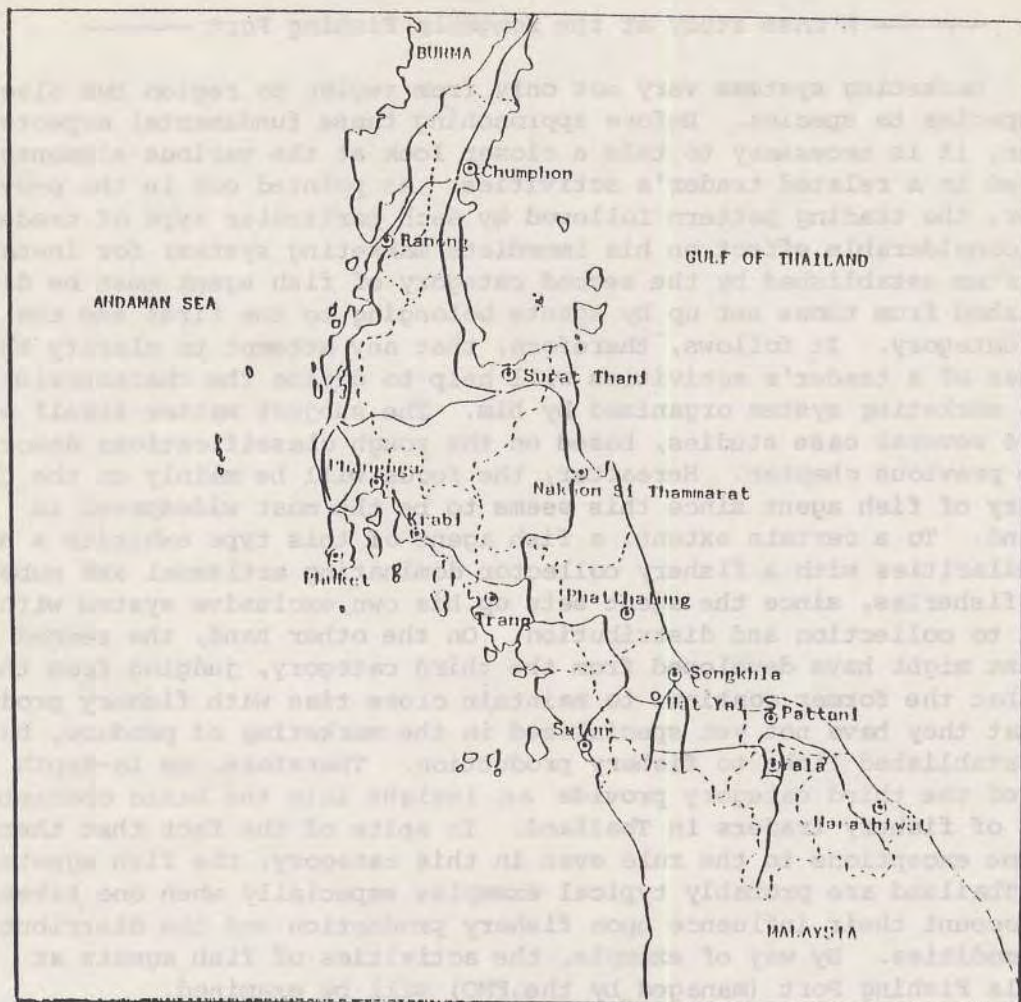
Marketing systems vary not only from region to region but also from species to species. Before approaching these fundamental aspects, however, it is necessary to take a closer look at the various elements involved in a related trader's activities. As pointed out in the previous chapter, the trading pattern followed by each particular type of trader has a considerable effect on his immediate marketing system; for instance, the system established by the second category of fish agent must be distinguished from those set up by agents belonging to the first and the third category. It follows, therefore, that any attempt to clarify the outlines of a trader's activities will help to define the characteristics of the marketing system organized by him. The subject matter itself will require several case studies, based on the rough classifications described in the previous chapter. Hereafter, the focus will be mainly on the third category of fish agent since this seems to be the most widespread in Thailand. To a certain extent, a fish agent of this type exhibits a number of similarities with a fishery collector dominating artisanal and subsistence fisheries, since the agent sets up his own exclusive system with regard to collection and distribution. On the other hand, the second type of agent might have developed from the third category, judging from the fact that the former continue to maintain close ties with fishery producers and that they have not yet specialized in the marketing of produce, but have established links to fishery production. Therefore, an in-depth study of the third category provide an insight into the basic characteristics of fishery traders in Thailand. In spite of the fact that there are some exceptions to the rule even in this category, the fish agents in South Thailand are probably typical examples especially when one takes into account their influence upon fishery production and the distribution of commodities. By way of example, the activities of fish agents at Songkhla Fishing Port (managed by the FMO) will be examined.

1. Fisheries trends at Songkhla Fishing Port

Songkhla Province, facing the Gulf of Thailand, produces the largest catch of marine fish in the country, accounting for 14.7 per cent of Thailand's total catch¹. Songkhla Fishing Port is situated in Muang District (the seat of the main provincial government office) where the largest catch in the South has been landed². Geographically, the province is situated near the Malaysian border (see Map), and like other

¹ "Fishery Record of Thailand 1984", Department of Fisheries.

² "South Thailand" consists of the three southern regions as defined by the marine fishery census (1985) -Region III, Region IV and Region V (a total of fourteen provinces). In addition, Central Thailand is "Region II" in the census.



Map of South Thailand

provinces in the South has been influenced in economic terms by the neighbouring countries. In this respect, the fishery business is no exception.

Fish production and distribution in the South, particularly in the provinces near the border, has tended to be conducted in collaboration with neighbouring countries. Prior to the mid-1960s when the exploitation of fishing grounds in the South was accelerated mainly by

the appearance of trawlers¹, the fishery produce tended to flow in the direction of the neighbouring countries, rather than towards Central Thailand. Clearly, the distribution of fishery produce in Thailand consisted of two separate commodity flows, that is, one in Central Thailand (including its adjacent areas) and the other in the South. Even nowadays, the Thai fish market is characterized by the existence of the two large market areas, although these have gradually merged. Strictly speaking, the fishery commodity flow in the South consists of two distinct channels: the first goes to Central Thailand, and the other to the Malaysian border and beyond to other countries. In general, provinces situated near the border between Central and Southern Thailand, such as Prachuab Khiri Khan, Chumphon, Ranong and Surat Thani, tend to transport fresh fish to Central Thailand. In contrast, the other provinces near the Malaysian border constitute a different commodity flow. For instance, Trang Province directs the majority of its fresh fish to Hat Yai, in the South (as shown in Appendix 1); of course, the direction of the flow varies from species to species and from area to area. Apart from the commodity flow towards Central Thailand, three main export channels to neighbouring countries continue to exist in the South. The scattered produce there which is destined for export converges at three large assembly places where a number of intermediaries have organized their own distribution channels from collection areas in the South such as Hat Yai, Songkhla and Pattani, from there distributing their produce to consumer areas in other countries. It would seem that these channels are rather different in character, for example, in the species they handle, in the extent of collection areas, as well as in terms of destination of produce they collect and the potential price formation in consumer markets. For instance, the Hat Yai -based intermediaries collect a large volume of produce from fish agents and fishery collectors throughout the South, and export it to a number of other countries. As noted previously, fishery produce in Trang Province is directed to Hat Yai, the greater part of it is destined for export. In contrast, Songkhla and Pattani tend to depend on the collection of unloaded produce at their immediate fishing ports, exporting mainly to Malaysia. Unlike in Central Thailand, marketing channels in the South appear to be diffuse, influenced by export to neighbouring countries. Furthermore, Central Thailand, with its huge demand for fish, has rapidly extended its collection activities throughout the South, which has further compounded the complexity of marketing channels there.

¹ Broadly speaking, the heavy exploitation of fishing grounds in Thailand is thought to have started after 1953. At first, the area off the shore of the central and eastern regions was exploited, then the fishing grounds of the southern regions facing the Gulf of Thailand were exploited followed by those on the Andaman Sea side. ("Role of the Thai Department of Fisheries and the Problem in Natural Resources Regulation", Charoenphol, S. 1978, Department of Fisheries).

In the South, Songkhla Province is without doubt the largest center for fishery production, distribution and processing. The number of fishing boats in the province is the largest in the country, reaching 5,404 in 1985¹, although the size of boats is not as large as in Central Thailand². Moreover, a number of processing factories (including cold storage) are situated there; the factories account for approximately 18 per cent of all the marine produce utilized for processing in the whole country³. In particular, cold storage and fish meal factories have a large production capacity, as shown in Annex 2. In addition, the province has established two huge assembly places, at Hat Yai and Songkhla. The centralization of production and distribution accompanied by the rapid expansion of the processing industry, has encouraged the growth of a systematized marketing system, through which the province has become the foremost fishery area in the country.

Since the end of the 1960s, Songkhla Fishing Port, where a number of fish agents of the third category aggressively pursue their marketing activities, has experienced a rapid increase in the volume of fishery produce handled there. As shown in Figure II-1, the total volume increased dramatically especially during the period extending from the end of the 1960s to the close of the 1970s. When compared to the minimum volume that was handled in 1967, the figures for 1979 boasted a fourfold increase. This was a result of the rapid rise in the number of fishing boats unloading their catch; for instance, the number of boats rose from 1,326 in 1967 to 10,243 in 1979⁴. These figures indicate, moreover, that

¹ "Preliminary Report 1985 of Marine Fishery" National Statistics Office, Department of Fisheries.

² According to the above report, taken together, the number of nonpowered boats and boats with out-board engines constitute 72.2 per cent of the total. Moreover, in terms of size, most of the boats registered are less than 14 metres long and account for 76.4 per cent of all registered vessels ("Fishing Vessels Statistics 1984", Department of Fisheries).

³ "Statistics of Fisheries Factories, 1982-1984", Department of Fisheries. Annex 2 also indicates that the factories in the Province absorbed the greater part of fishery produce destined for processing in Region IV (consisting of Nakhon Si Thammarat, Phatthalung, Songkhla, Pattani and Narathiwat).

⁴ "Statistics of Fisheries Factories, 1975-1980", Department of Fisheries. There has been a tendency for fish meal production to move from Central Thailand to the South, along with the fishing boats. Apart from this, the diffusion of fish meal production was further encouraged by the Second Oil Crisis at the end of the 1970s. At this point, the South rapidly increased its portion of the country's total output because of its geographical location, in particular its proximity to fishing grounds. In Central Thailand, the percentage of fish meal production declined from more than 35 per cent in the mid-1970s to less than 20 per cent nowadays.

the dramatic increase in the volume handled was caused by the increased use of trash fish. Although trash fish constituted slightly more than half the volume handled before the mid-1970s, it consistently accounted for more than 70 per cent afterwards. The Port became the largest landing place in the South, a place towards which a number of fish meal factories gravitated demanding a large volume of trash fish. In 1979, the province became the leading producer of fish meal overtaking Samut Sakhon Province and its factories which until 1978 had produced a quarter of the fish meal in the country.

Excessive dependence on trash fish, however, soon resulted in stagnation with regard to the volume handled at the Port, a state of affairs which was influenced by the fact that catches of trash fish landed in the 1980s tended to fluctuate. Thus, the trend towards a growing demand for trash fish exerted a powerful influence on overall trends at the Port in terms of volume. On the other hand, trash fish accounted for a relatively low percentage of the total value there; for instance, it constituted only 27.3 per cent of the total for 1985. On the other hand, as shown in Table II-1, "Other food fishes" and "Squid and cuttle fish" accounted for a high percentage in terms of value, disproportionate to their volume¹. From the beginning of the 1980s onwards, "Other food fish" increasingly accounted for more than 40 per cent of the total value, in contrast to the stagnating value of trash fish. As a whole, the potential effect of a reduction in total value as a result of a decline in demand for both trash fish and squid and cuttle fish, was cushioned by the increase of other food fishes.

Broadly speaking, the fish landed at Songkhla Fishing Port (except for shrimp, prawn, crab, squid and cuttle fish) appears to have been mainly demersal species. Based on other available data, these species of fish landed in Songkhla indeed accounted for 86.2 per cent of the total volume of fish in 1980 while the remainder consisted of pelagic fish. Although the percentage of demersal fish tended subsequently to decrease, even in 1983 it accounted for slightly more than 70 per cent². Of course, trash fish always constituted the greatest portion of demersal fish; therefore, their total estimated value per ton remained rather lower than that of pelagic fish. In 1983, for instance, the average value of pelagic fish (per ton) came to more than twice as much as that of demersal fish (See Annex 3). Of course, with the exception of trash fish, demersal fish fetched a higher value than pelagic fish

¹ "Other food fishes" (in the statistics of the FMO) refer to the remainder after deducting Indian-Pacific mackerel, Indian mackerel and trash fish from all fishes.

² "The Landing Place Survey, 1980-1983", Department of Fisheries.

although demersal fish did not exceed the latter in terms of volume. Of these demersal fish, several species, such as snapper, threadfin bream, lizard fish and croaker, appear to be important from an economic point of view in spite of the vast difference between them in value per ton. On the other hand, it was estimated that pelagic fish accounted for nearly half the aggregate value of all fish in 1983; and its ratio in terms of value had risen dramatically from about 30 per cent since the beginning of the 1980s. Catches of such species as Indo-Pacific mackerel, Indian mackerel, trevallies, spotted tunny and king mackerel, constituted a large part of the total value of pelagic fish. Probably, these species of both demersal and pelagic fish could well be the main components of the "Other food fish" category in the FMO's statistics which, (with the exception of Indian mackerel and Indo-Pacific mackerel), represented a higher percentage, in terms of overall value, than trash fish at the Port. In economic terms, as indicated in the previous table squid and cuttle fish are another important species in addition to the species already mentioned and trash fish. In fact, the cold storage facilities in Songkhla Province received nearly 30 per cent of all the squid and cuttle fish directed towards storage up and down Thailand (in 1984); moreover, the contribution of this province in terms of produce apparently increased during the 1980s¹.

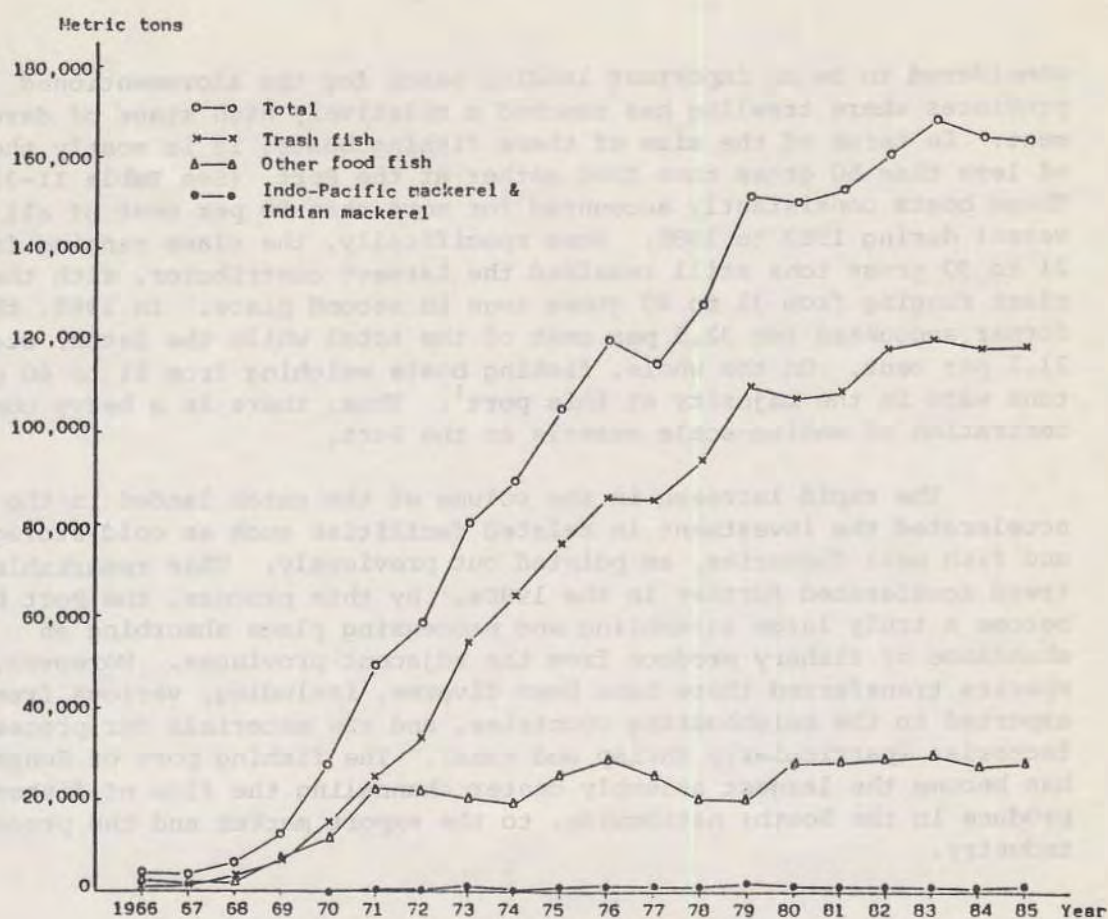
In terms of fishing boats gathered there, the Port is characterized by a large base for trawlers. As shown in Table II-2, it was fishing boats of the trawler type which contributed the largest part of the total catch unloaded there, although this gradually declined from 1983 to 1985. In 1985, trawlers accounted for 73.9 per cent while the Thai purse seine and gill net fisheries accounted for 13.1 and 12.8 per cent, respectively. Moreover, Songkhla Fishing Port has become a base for trawlers coming from specific provinces, namely, Songkhla, Nakhon Si Thammarat, Samut Prakan and Samut Sakhon. Of these provinces, Nakhon Si Thammarat has the largest number of boats, although the two provinces in Central Thailand may constitute nearly half of the overall total; thus, boats from Songkhla are in the minority². Therefore, Songkhla Fishing Port is

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In 1981, the cold storage facilities in Samut Sakhon Province absorbed the greatest volume of these species, with those in Songkhla Province in second place, accounting for 26 per cent of the total. After 1982, however, the latter occupied first place. A similar reversal occurred with shrimp, too. ("Statistics of Fisheries Factories 1980-1984" Department of Fisheries).

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This is based on an interview at the Songkhla Office of the FMO, in 1986. It is estimated that the number of boats unloading their catch throughout any one year reaches roughly 1,200. Of these, approximately 500 boats come from Nakhon Si Thammarat, 200 boats are from Songkhla, and the remainder come from the central provinces.



(Source) "Fishery Record 1966-1985", FMO.

Figure II-1 Changes in volume landed at Songkhla Fishing Port

Table II-1 Value of fresh marine fish

Species						Baht
	1980	1981	1982	1983	1984	1985
Indo-Pacific mackerel & Indian mackerel	14,709,580	11,767,918	13,596,348	13,996,191	15,314,386	16,184,250
Other food fish	199,440,264	235,465,432	289,460,554	282,648,853	263,299,299	259,523,910
Shrimp	12,399,262	11,047,888	15,189,059	14,434,504	21,081,668	21,671,166
Lobster	24,977,679	15,999,176	13,461,190	15,801,259	19,985,826	33,340,501
Sea crab	6,881,866	15,674,427	7,236,441	12,476,443	14,911,973	14,281,136
Squid and cuttle fish	233,815,985	168,659,208	162,477,496	164,935,554	132,344,985	108,504,190
Trash fish	207,687,099	199,638,198	221,297,096	216,488,350	203,490,215	170,473,438
Total	699,911,735	658,252,247	722,718,184	720,781,154	670,428,282	623,978,591

(Source) FMO.

considered to be an important landing place for the aforementioned provinces where trawling has reached a relatively high stage of development. In terms of the size of these fishing boats, it is mostly those of less than 50 gross tons that gather at the Port. (See Table II-3). These boats consistently accounted for more than 80 per cent of all vessel during 1983 to 1985. More specifically, the class ranging from 21 to 30 gross tons still remained the largest contributor, with the class ranging from 31 to 40 gross tons in second place. In 1985, the former accounted for 32.5 per cent of the total while the latter occupied 21.5 per cent. On the whole, fishing boats weighing from 11 to 40 gross tons were in the majority at this port¹. Thus, there is a heavy concentration of medium-scale vessels at the Port.

The rapid increase in the volume of the catch landed in the 1970s accelerated the investment in related facilities such as cold storage and fish meal factories, as pointed out previously. This remarkable trend accelerated further in the 1980s. By this process, the Port has become a truly large assembling and processing place absorbing an abundance of fishery produce from the adjacent provinces. Moreover, the species transferred there have been diverse, including, various fresh fish exported to the neighbouring countries, and raw materials for processing factories (particularly shrimp and tuna). The fishing port of Songkhla has become the largest assembly center channeling the flow of fishery produce in the South; nationwide, to the export market and the processing industry.

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It is difficult to give a precise estimate of the length of a particular boat from its gross tonnage and thus hard to compare with the related statistics of fishing boats. Assumably, the fishing boats might be grouped into medium-sized ones with lengths ranging on average from 14 to 18 metres and from 18 to 25 metres long. In addition, the size of the boats at Songkhla Fishing Port vary from province to province. According to statistics, we can assume that the boats in the central provinces are rather larger than in the two provinces in the South. This is because nearly half the boats registered in the central provinces range from 18 to 25 metres; in contrast, those in the South consist of boats less than 14 metres long (about 80 per cent of the total number of registered vessels) ("Thai Fishing Vessels Statistics 1984", Department of Fisheries).

Table II-2 Number of fishing boats shown by type

Fishing boat	No. (%)		
	1983	1984	1985
Trawl	7,211 (81.2)	7,634 (77.0)	7,915 (73.9)
Thai purse seine	777 (8.8)	1,058 (10.7)	1,401 (13.1)
Gill net	851 (9.6)	1,183 (11.9)	1,371 (12.8)
Others	34 (0.4)	39 (0.4)	25 (0.2)
Total	8,873 (100.0)	9,914 (100.0)	10,712 (100.0)

(Source) FMO

Table II-3 Number of fishing boats shown by size

Class	No. (%)		
	1983	1984	1985
Gross tonnage			
~10	85 (1.0)	134 (1.3)	51 (0.5)
11-20	1,620 (18.2)	1,538 (15.5)	1,910 (17.4)
21-30	2,841 (32.0)	3,330 (33.6)	3,550 (32.5)
31-40	1,950 (22.0)	2,059 (20.8)	2,356 (21.5)
41-50	906 (10.2)	1,144 (11.5)	1,343 (12.3)
51-60	755 (8.5)	792 (8.0)	974 (8.9)
61-70	167 (1.9)	238 (2.4)	195 (1.8)
71-80	157 (1.8)	195 (1.9)	144 (1.3)
81-90	113 (1.3)	161 (1.6)	144 (1.3)
91-100	82 (0.9)	136 (1.4)	92 (0.8)
100>	192 (2.1)	187 (1.9)	187 (1.7)
Total	8,869 (100.0)	9,914 (100.0)	10,952 (100.0)

(Source) FMO

2. Marketing system and fish agents

_____ A case Study at Songkhla Fishing Port _____

At Songkhla Fishing Port, in 1985, there were on average twenty-one fish agents involved in marketing on any given day, the number having increased gradually since the beginning of the 1980s. (See Table I-1). In general, the greater part of the catch landed there - trash fish - is transported, directly or indirectly, to the fish meal factories via the fish agents¹. As a whole, however, the fish agents there tend to concentrate on handling fresh fish rather than trash fish. Normally, the fresh fish landed at the Port is destined for at least four destinations, i.e. markets in Central Thailand, local markets mainly in Songkhla Province, processing factories (except for those processing fish meal) and markets in neighboring countries; of course, the destination of fresh fish tends to vary according to the particular species and the individual agent. It is worth noting that the managerial policy of a particular agent regarding marketing often creates different channels of produce from those of other agents.

First of all, the fish agents at the Fishing Port will be studied using Table II-4 in order to show the rough characteristics of each agent². All fish agents enjoy links to a certain number of specific fishing boats (including the agents own), from which the agents can constantly collect the catch. By and large, the fish agents there, some of whom deal with boats employing luring purse seine, Thai purse seine and gill net methods, depend heavily on the catch of trawl fisheries. The average length of the fishing boats from which the fish agents receive their produce ranges from roughly 20 to 23 metres. The agents listed in the table mostly concentrate on collecting produce only from these boats at the port, and refrain from extending their collection activities elsewhere. These characteristics are discernible in the relationship between a fish agent and specific fishing boats (or boat owners). First, no fish agent establishes links to boats from both Central Thailand and South Thailand simultaneously. The boats from the latter (mainly Songkhla and Nakhon Si Thammarat) always work in collaboration with specific agents. Conversely, the agents with links to boats in Central Thailand, such as No.11 and No.12, do not receive any catch from boats of other regions. A link between a fish agent and a fishery producer (boat owner) might be

¹ In terms of handling trash fish, some fish agents do not charge any commission at all, whereas some charge 1 satang per Kg.

² Of the twenty-one fish agents, the table indicates thirteen most of whose offices are situated on the premises of the FMO.

Table II-4 Features of fish agents at Songkhla Fishing Port

	No.1	No.2	No.3	No.4	No.5	No.6
1. No. of fishing boats (For collection)	10	15	15	22	8	20
a. Type	Tr	Tr(10), Lu(3), Th(2)	Tr	Tr	Tr(5), Gi(3)	Tr, Lu
b. Average size	23m	-na-	21-25m	18-20m	Tr 20m	Tr 20m, Lu 23m
c. Province	Nak, So	So	So	Nak, So	So	So
d. Own boat	-Non-	-Non-	3(lend to others)	2	Tr(2), Gi(3)	Lu(3)
2. Main species handled (purchase all or part)	All	All	All	All	All	All
3. No. of collectors	-Non-	-Non-	-Non-	-Non-	-Non-	5(for Li and Tra)
4. Destination of fish	Malay BKK (Li, Bo) Sol	Malay	Malay Sol(Big-eye)	Malay, Sol	Malay(Li, Ki, Res) Sol	Malay BKK(Li, In-P-M) Sol
5. No. of distributors	-na-	-na-	10(Process Sf-eye)	10(3 Processors Sf-eye)	5	10
6. Other occupations	Net shop		-Non-	-Non-	Dried Shrimp	Fish meal factory, Ice factory, Collection of Shrimp, Tuna factory (BKK)

Note: 1. This is based on an interview with officials at the Songkhla Office of the FMO, in March in 1986.

2. Types of fishing boats are as follows:

Trawl = Tr, Luring purse seine = Lu, Thai purse seine = TH, Gill net = Gi

3. Cases where a fish agent purchases all the catch by exclusive agreement are indicated by "All".

"Part" means that a fish agent handles specific species.

Table II-4 Cont'd

	No.7	No.8	No.9	No.10	No.11	No.12	No.13
1. No. of fishing boats (For collection)	10	8	10	5	10	15	13 (All are family)
a. Type	Tr, Th, Gi	Tr(3), Th(5)	Tr	Lu	Tr	Tr(7), Gi(8)	Tr
b. Average size	20m	20m	20m	-na-	20m	20m	22m
c. Province	So	So	So(5), Nak(5)	Sam Sg	Sam Sa	BKK(Tr.5)	Nak, So
d. Own boat	-Non-	-Non-	-Non-	-Non-	-Non-	Tr(2), Gi(8)	10
2. Main species handled	Gr, ReS, Tre	ReS, Ki, In- P-M, Sptu	ReS, Ki	Li, Ki	ReS, Ki		
(purchase all or part)	Part	Part	Part	All	All	All	All
3. No. of collectors	1 (Phuket)	-Non-	-Non-	-Non-	-Non-	-Non-	-Non-
4. Destination of fish	Malay Sing	Malay Hat(Li) SoL	Malay SoL	BKK(Li) Malay(Ki)	Malay(ReS, Ki) BKK (All re- mainder)	BKK SoL	Malay SoL
5. No. of distributors	1	-na-	10	-Non-	-Non-	20(5 Processors 15 Big-eye)	
6. Other occupations							Process Sf-eye, squid and cuttle fish, Ice factory (Nak)

Note: 4. Species as listed:

Little tunny = Li, Bonito = Bo, King mackerel = Ki, Indo-Pacific mackerel = In-P-M, Red Snapper = ReS,
Spotted Tuna = Sptu, Trash fish = Tra, Spot-finned bigeye = Sf-eye, Grouper = Gr, Trevallies = Tre

5. Place names are indicated as follows:

Malaysia = Malay, Singapore = Sing, Bangkok = BKK, Nakhon Si Thammarat = Nak, Songkhla = So,
Songkhla local markets = SoL, Samut Songkhram = Sam Sg, Samut Sakhon = Sam Sa, Hat Yai = Hat

6. "-Non-" means none, and "-na-" means no answer.

generated by the local relationship between them¹. Secondly the agents in the table are divided into two groups according to whether they collect all or part of the catch from specific fishing boats. Agents No.7, No.8 and No.9 receive only particular species, such as red snapper and king mackerel, which are sought after for export to Malaysia. Accordingly, these three concentrate mainly on the collection of species for export while the remainder collect every conceivable type of species. This does not mean, however, that agents No.7, No.8 and No.9 have renounced the exclusive right to purchase a specific boat's catch, rather that they still maintain a lucrative contract with the fishing boats under their control, although they deal in specific species only. Distributors who are under the agents control are delegated to receive the other species which these agents do not need, and to market them through the distributors outlets. It is notable that the price of fish is determined by these agents, who allow hardly any negotiation between distributors and fishery producers as do other agents. Therefore, the fish agents at Songkhla Fishing Port have generally remained in close contact with fishery producers.

In the meantime, the fish agents have set up several outlets for produce from the fishing boats under exclusive contract to them, as pointed out previously. On the whole, the export to Malaysia (or Singapore) is the most significant outlet for fresh fish. All the fish agents, except for No.12, export several species. The attitude towards the export trade, however, differs from agent to agent. With respect to exported species, they are divided into two groups. The first group consists of No.10 and No.11 (and No.12) who export only a few species such as king mackerel and snapper. These agents prefer to transport produce to Central Thailand, as does No.12. This managerial policy towards marketing is also related to another distinct attitude towards links to the local markets in Songkhla. In more concrete terms, agent No.11 has not established any connection with distributors as far as the local markets are concerned. The distinct outlets that these three agents have built up might have originated from their relationships with those fishing boats moving from Central Thailand. Presumably, these agents act as intermediaries in transporting the produce caught by specific boats to those fish agents in Central Thailand with an exclusive right to receive it. Apart from certain species destined for export, the three agents may be under obligation to transport produce to their trade connections in Central Thailand; accordingly, the first group may act as a branch of a fish agent in Category (II). (See the previous chapter). In other words, the fishing boats linked to agents at the port seem to be controlled more directly by other agents in their hometowns. In contrast, the second group of agents (No.1 to No.9 and No.13) with links

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This distinction between the fish agents might be a result of their hometown -relationship. For instance, No.11 and No.12 migrated from Central Thailand; they might then have moved to Songkhla, following the movement of fishing boats in their hometowns.

to fishing boats in South Thailand would much prefer to export the produce they collect to neighboring countries. Unlike the first group, the produce unloaded will rarely be marketed in Central Thailand, except for some species such as little tunny, bonito and snappers: in fact, seven fish agents rarely conduct any type of marketing activity in the area. Furthermore, these agents, unlike the first group, prefer to distribute part of the collected produce to local markets. As a whole, distributors constantly channel the produce the agents purchase to other distributors or retailers in the local markets, and occasionally to other types of traders such as a small exporter. In other words, a fish agent probably manages his own local distribution network through his intermediaries while he himself specializes in the export trade. Referring to the classification described in the previous chapter, the agents in the group can be considered to belong to Category (III) exerting their influence to set up their own exclusive commodity flow.

In accordance with the initial purpose of this chapter, the activities of fish agents belonging to the second group will be examined, by taking as an example, No.4, the biggest agent at the Port.

Fish agent, No.4, has established links with twenty trawlers moving from Nakhon Si Thammarat and Songkhla while he himself operates two trawlers of his own¹. This fish agent depends on direct links with ten boat owners whose boats range in length from approximately 18 to 20 metres in length. In order to absorb a steady flow of fishery produce, the fish agent advances operating funds to nine boat owners who possess a total of seventeen fishing boats which take about twenty days per trip. The amounts that the boats owners are advanced by the agent per trip work out at approximately 30,000 baht for an 18-metre boat and 40,000 baht for a 20-metre boat. Ordinarily, each fishing boat is supplied with the materials it needs such as fuel oil, ice and fishing nets, by the entrepreneurs dealing with the agent. However, the person legally responsible to these suppliers is the fish agent, not the boat owners. The materials and an amount of cash will be provided on credit to boat owners for a trip of about twenty days, and will be deducted from their gross sale. Moreover, if a boat owner invests in a new fishing boat and heavy equipment, the agent will finance him with a portion of the amount he needs for these investments interest free, as a type of credit. By means of such contracts, which involve constant advance payment and occasional financing, the fish agent is entitled to purchase all the catch from the boat owners, with the exception of trash fish. Even though the catch for one trip is insufficient to meet the credit payments, the fish agent rarely withholds credit on subsequent occasions. Of course, in cases where a boat owner suffers a deficit and is put out of business, he will be forced to dispose of his boats in order to fully meet his

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The family of agent No.4 migrated from Nakhon Si Thammarat. The family first settled in Hat Yai and began to work as an agent activity there; finally, more than fifteen years ago, they moved to Songkhla Fishing Port.

obligations to the fish agent¹. In addition, the right to purchase the total catch from a particular fishing boat will disappear upon termination of the credit contract with the boat owner².

Meanwhile, the produce unloaded by specific fishing boats will be marketed through at least four channels (See Diagram II-1). Firstly, the fish agent transports several species to Malaysia, such as threadfin breams, conger, trevallies and red snapper, the long-distance transportation being undertaken by the agent himself. Secondly, squid and cuttle fish are sold to cold storage facilities in Songkhla through other types of traders. Thirdly, the processors in Songkhla demand spot-finned bigeye and certain other species for making fish meat. Finally, distributors purchase a number of species mainly for local consumption, particularly yellow striped crevalle, big-eyes, trevallies, and a few other species as well.

Fundamentally, fish agent No.4 regards the first outlet, the export of produce to Malaysia, as the most important one. The export trade is considered to benefit the agent more than transportation of produce to the Bangkok area (Central Thailand), because of the following factors. The first is the difference in price between the Bangkok and Malaysian markets. In the latter, even the produce caught by trawlers is thought to fetch a higher price than on the domestic market. Since the fishing boats the agent is in contact with are all trawlers, he may find this particular aspect of the export market attractive. Secondly, the agent does not consider the produce collected from his trawlers of a sufficiently high quality to satisfy the requirements of the Bangkok markets, particularly with regard to freshness. The third factor is cheaper transportation costs. Normally, most of the fish agents exporting fish to Malaysia have to pay for transportation to the Malaysian border, at a rate of 100 baht per box (100 kg). The dealers receiving the produce for the Malaysian side will pay for whatever transportation costs are necessary from thereon. Ultimately, transportation costs work out 15 baht cheaper, when compared to sending the produce to the Bangkok area. Thus, these three factors seem to have encouraged the No.4 agent to specialize in dealing exclusively with the Malaysian market. In order to ensure the necessary conditions for marketing produce in Malaysia, the fish which are destined for export normally have to be sorted twice, once on the boat and again at the landing place. The good

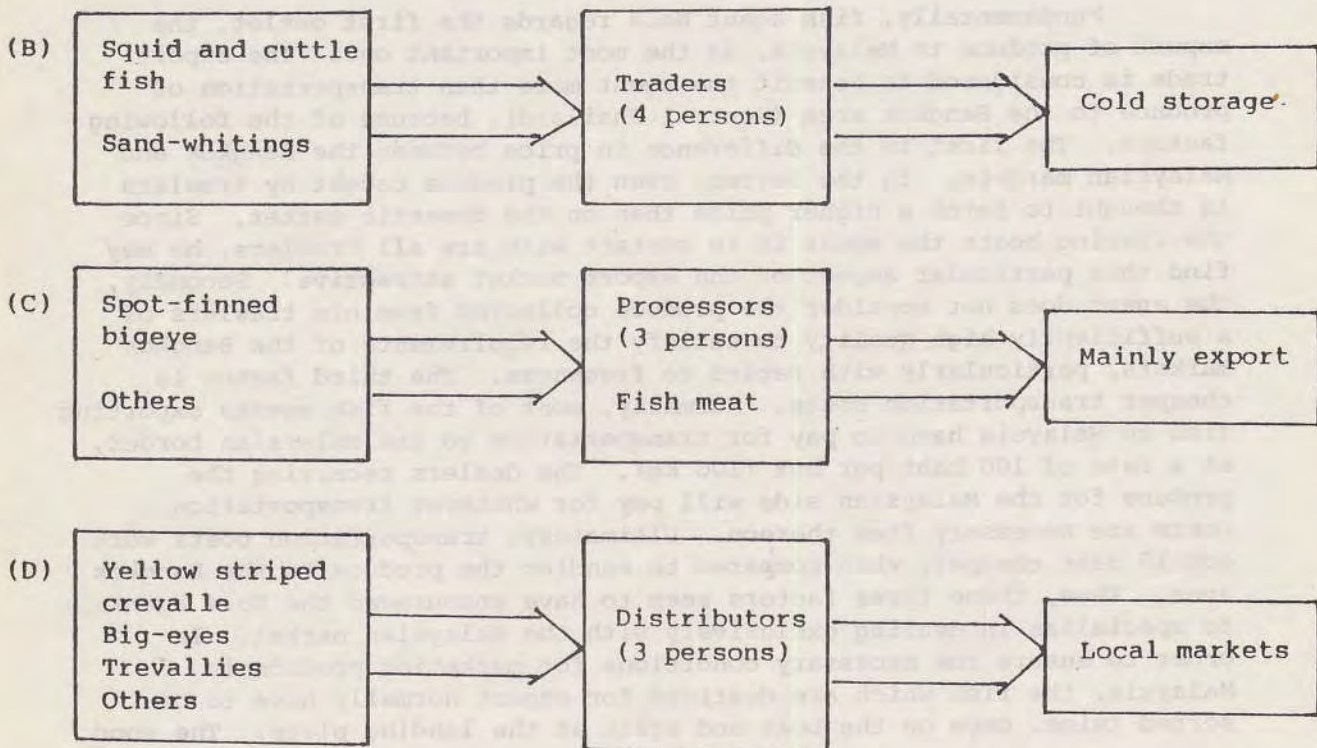
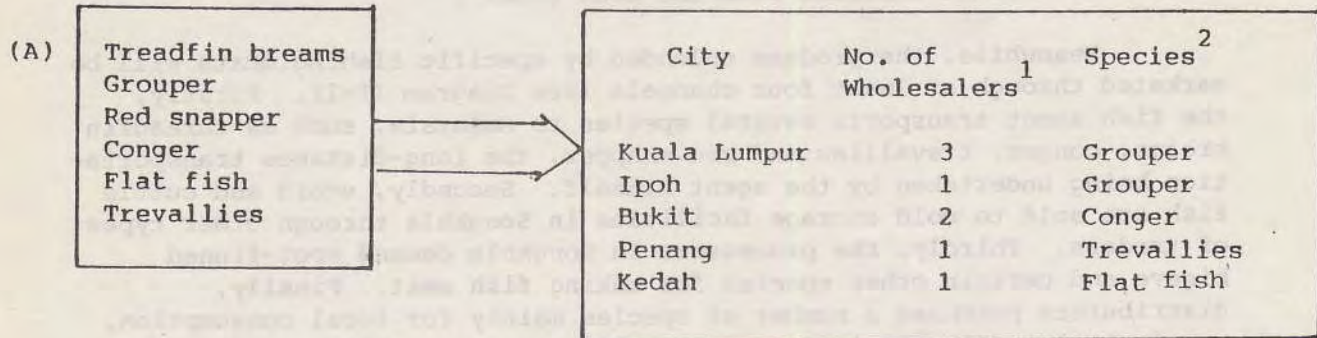
¹ For instance, fish agent No.4 has induced boat owners to dispose of three fishing boats during the past five years. Two of the boats were sold off by the owners themselves, while the other was purchased by the agent.

² Last year, three fishing boats ceased to sell their catch to the agent.

Main species

Malaysia

(Fish agent)



1) Number shows that of wholesalers who receive the produce the agent transports.

2) Only the most important species are indicated.

Diagram II-1 Outlets of main species

quality fish will then be for the export market, while those considered unsuitable for export are channelled to the local Songkhla markets. Only selected fish will be accepted by wholesalers in Malaysia. When compared to the rather simplified distribution channels in the agent's immediate area, the outlet for exporting fish is rather complex. The No.4 fish agent has found multiple markets in all the major Malaysian cities; the export-quality produce is transported to eight wholesalers in Malaysia, the agent himself having established contact with various wholesalers in Kuala Lumpur and Bukit (see the diagram). According to the prevalent trends of each particular market, for example, with regard to the particular species in demand, the agent selects the more profitable species for distribution; for instance grouper is transported mainly to Kuala Lumpur and Ipoh. In terms of the method of transaction with wholesalers in the export market, the agent will sell produce to them on consignment; however, no commission fee is charged by the wholesalers.

Naturally, the marketing policy of the agent, for example, with regard to determining the purchase price at the Port, which species to market to each outlet and whole volume, is naturally affected by the trends in wholesale prices in Malaysia. Inevitably, the ties between the agent and wholesalers become close. For instance, the fish agent can be kept informed by the consignees of the price trends in wholesale markets on the previous day. Moreover, they will occasionally finance him. Such financial support may be necessary to avoid a shortage of revolving funds on the part of the agent, since the turnover of exported fish usually takes longer in terms of the collection period than it does in domestic markets, about half a month after dealing¹. The fish agent would much prefer to raise funds from wholesalers rather than rely on financial institutions in the immediate vicinity of Songkhla, because this valuable support does not require that he pay any interest, it being a form of credit. A certain amount of the overall debt will be deducted gradually from the total sale of each transaction. It is highly significant, however, that the fish agent has hardly any influence at all with regard to the formulation of fish prices in the wholesale markets as a whole. This influences the agent's marketing policy towards other outlets for his produce, particularly local markets.

This fish agent usually develops connections to local consumer markets and processing factories (cold storage) through various types of intermediaries. As for squid and cuttle fish, three traders purchase them from this agent, and subsequently sell to cold storage facilities. At the Songkhla Fishing Port, the gutting and selling of these species tend to be delegated to specialized traders some of whose collection activities occasionally extend over a wide area in South Thailand. When purchasing squid and cuttle fish from the fish agent, these traders do

¹ When purchasing fish at the Port, the agent usually pays cash to the boat owners.

not require the agent to sort them according to size, so they are unable to measure the real amount. The traders usually purchase these species by the box wherein various sizes of squid and cuttle fish are mixed together. Therefore, the way in which the agent sells this type of produce may be more advantageous to him than to the traders. However, the price of these species is not determined by the fish agent, but eventually by the cold storage facilities. The price they offer is the benchmark by which the agent's sale price is determined. On the whole, the fish agent may not - to a great extent - affect the market price of those species destined for processing factories (particularly cold storage). On the other hand, distributors who regularly purchase fresh fish and channel them to other small distributors and retailers are likely to be controlled by the agent. Taking the place of the agent, the distributors transport the purchased produce not only to Muang District but also to other districts, in cooperation with other small traders¹. The dependence of the distributors on the agent reinforces his position at the apex of the local commodity flow. This agent sells his produce to them on credit ranging in duration from 7 to 10 days. The amount of credit a distributor can expect varies according to the daily volume of his transactions and the degree of his reliability. Moreover, the agent attempts to protect the distributors position in the local market; for instance, the agent precludes retailers from purchasing fishery produce on credit from him, since he does not work through intermediaries. It is worth noting that this type of fish agent regulates the local commodity flow which he establishes himself. In return for this protection, the distributors must agree to one condition; they cannot purchase any produce directly from the fishing boats controlled by the agent. Furthermore, they rarely negotiate prices with the fish agent, and the agent has the authority to decide what his sale price will be. Inevitably, such a stratified marketing structure extends to the set-up between a distributor and those traders linked to him. As long as a distributor receives produce almost exclusively from the agent (who himself enjoys the exclusive right to purchase all produce from specific boats), price shifting at each step may become more rigid, as indicated in Diagram II-2. The agent and his specific distributors (particularly with regard to large transactions) can afford to continually adjust sale price according to their purchase price. Consequently, there are two sides to the fish agent's marketing activities. When exporting to wholesalers in Malaysia, the agent is not always given free rein in terms of price formulation; in addition, he does not possess sufficient leverage to boost his sale price to cold storage and other large processing factories. On the other hand, intermediaries for local distribution tend to be governed by the fish agent due to the fact that they have an exclusive contract with him. On the whole, therefore, at least the commodity flow

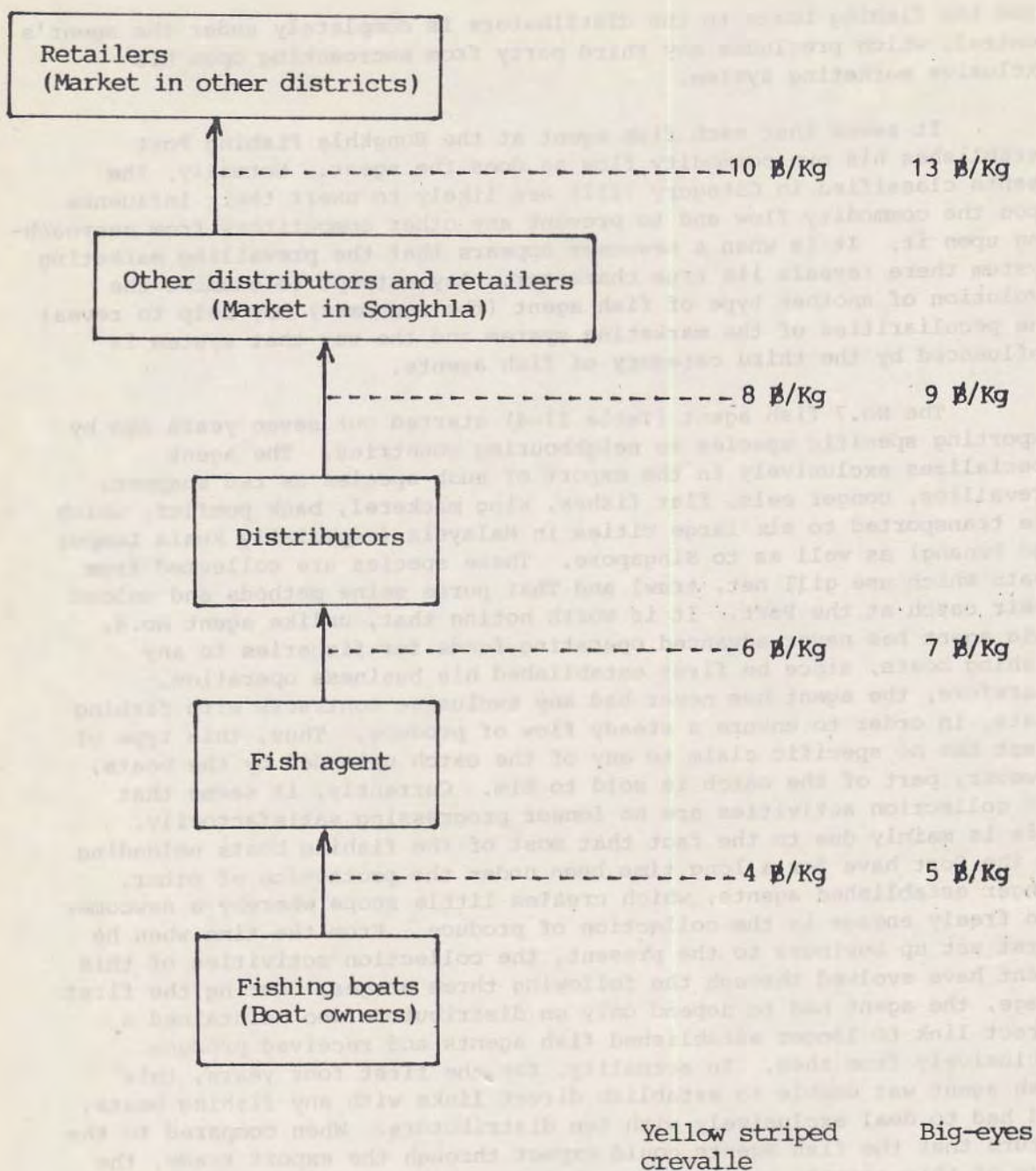
¹

In general, this kind of distributor covers areas within a 50 km radius of the Port.

from the fishing boats to the distributors is completely under the agent's control, which precludes any third party from encroaching upon his exclusive marketing system.

It seems that each fish agent at the Songkhla Fishing Port establishes his own commodity flow as does the agent. Normally, the agents classified in Category (III) are likely to exert their influence upon the commodity flow and to prevent any other competitors from encroaching upon it. It is when a newcomer appears that the prevailing marketing system there reveals its true character. Any attempt to examine the evolution of another type of fish agent (the newcomer) may help to reveal the peculiarities of the marketing system and the way that system is influenced by the third category of fish agents.

The No.7 fish agent (Table II-4) started out seven years ago by exporting specific species to neighbouring countries. The agent specializes exclusively in the export of such species as red snapper, trevallies, conger eels, flat fishes, king mackerel, back pomflet, which are transported to six large cities in Malaysia (especially Kuala Lumpur and Penang) as well as to Singapore. These species are collected from boats which use gill net, trawl and Thai purse seine methods and unload their catch at the Port. It is worth noting that, unlike agent No.4, this agent has never advanced operating funds for fisheries to any fishing boats, since he first established his business operation. Therefore, the agent has never had any exclusive contracts with fishing boats, in order to ensure a steady flow of produce. Thus, this type of agent has no specific claim to any of the catch unloaded by the boats, however, part of the catch is sold to him. Currently, it seems that his collection activities are no longer progressing satisfactorily. This is mainly due to the fact that most of the fishing boats unloading at the Port have for a long time been under the protection of other, longer established agents, which creates little scope whereby a newcomer can freely engage in the collection of produce. From the time when he first set up business to the present, the collection activities of this agent have evolved through the following three stages. During the first stage, the agent had to depend only on distributors who maintained a direct link to longer established fish agents and received produce exclusively from them. In actuality, for the first four years, this fish agent was unable to establish direct links with any fishing boats, and had to deal exclusively with ten distributors. When compared to the return that the fish agents could expect through the export trade, the size of this agent's returns were obviously much smaller. This was mainly due to the difference between the purchase price and the sale price of produce being smaller. Supposing another longer established agent purchased a certain species of fish at 10 baht per kg from the boats under his control, his distributors would ordinarily pay 12 baht for it, 20 per cent higher than the price at which the boats sold it to the agent. Furthermore, the distributors then sold the fish charging at least



- 1) Prices are as of March 1986.
- 2) The indicators are derived from interviews with the fish agent and FMO officials at the Port.

Diagram II-2 Price shifting in local market

another 1 baht; in the end, fish agent No.7 used to purchase fish at a price approximately 30 per cent higher than that of the longer established agent. There is yet another factor that contributed to the reduction in returns, in that a completely different type of fish agent (like the No.4 fish agent) tended to sell poor quality fish to his distributors if he was in the export business as did fish agent No.4. Therefore, the quality of fish he obtained from the distributors was lower than that of the fish exported by the other agents, which probably resulted in a reduction in his expected returns. (See Diagram II-3). Later on, however, since the fishing boats, were not under the control of any of the other agents at the Port, these began to provide a certain part of the produce he needed for the export market. The boats the agent could rely on mostly came from Central Thailand, in particular from Samut Prakarn. Since the owners of these boats were in direct contact with fish agents in their hometown, only that part of their catch which was suitable for export from Songkhla would be destined without any restriction whatsoever for any trader at the Port. The No.7 fish agent was able to obtain produce released to the market by a loophole in the exclusive distribution system. It was, however, impossible for him to establish deals with boats in South Thailand such as those from Nakhon Si Thammarat, because the longer established agents had already gathered them under their wing. It was not until the appearance of fishing boats without any restrictions on them that agent No.7 managed to find a number of ways in which he could compete with other agents. The first way was to set a higher purchase price than the longer established agents; in concrete terms, his price was likely to be approximately 20 per cent higher than the standard purchase price offered by his competitors to the boats under their control. In spite of the unfavourable purchasing situation when compared to the other agents, this agent succeeded in obtaining more benefits than ever before, since previously the purchasing of produce through distributors required him to pay 30 per cent more than the others. The second way was either to shorten the credit period for paying the sellers or to adopt cash payment. The third way was to collect as large a volume of produce as possible in order to satisfy the wishes of the boat owners. Efficient methods such as these appear to have encouraged the direct purchasing of produce from fishing boats in Central Thailand. However, such efficient purchasing of produce was by no means stable, because these fishing boats did not unload their catch regularly at the Port. In fact, the failure of these boats to appear forced the agent to establish another new collection channel while seeking boats from which he could obtain a steady flow of produce. The fish agent has had to depend, to a certain extent, on a new collection channel in a fairly remote landing place: Phuket¹. A fish agent there has been transporting the species offered by the Songkhla agent for two years ever since he faced difficulties in re-establishing a direct link to fishing boats. This collection channel

1

The agent in Phuket sells species such as grouper, black pomfret, trevallies, etc.

has had two advantages in terms of strengthening his collection activities. The first, of course, is that he is able to increase the volume of produce he needs; the other is that, by means of mixing the produce collected at the Port with that from Phuket, he is able to raise the marketable value of all his produce on the export market. As long as the agent has to depend on distributors, he cannot avoid depending on produce with a lower marketable value, as previously pointed out. Besides gaining these advantages, however, the expansion of his collection area has occasionally created increased risks for him. This is because of the prolonged time lag between when the agent determines the purchase price for the produce in Phuket and when the transported produce is actually sold on the export markets. Nowadays, the produce he collects passes through one of these three channels; and in fact the least profitable channel, where the agent must depend on the produce collected by other agents through their distributors, continues to constitute the greatest part of all his produce (reportedly 80 per cent in 1986).

Thus, the prevailing exclusive marketing system at the Port still remains in that it prevents newcomers from performing the same activity as the longer established agents. As a result, fish agent No.7 must channel produce to the export markets in a different way from agents of the third category. Clearly, the unsteady collection of produce has resulted from his tentative links to fishery producers. The longer established agents have maintained close links to specific producers by continually providing them with advance payment, through which the exclusive marketing system has been sustained. On the other hand, newcomers (or small-scale traders) have rarely broken through such a restrictive channel as that which has been built up by the No.4, agent in that it depends on constant advances and local relations with boat owners. However, the exclusive system at the Port has evolved even more slowly, influenced by the appearance of other categories of fish agents and by the fishing boats which do not come under the protection of the third category. The other types of agent, one example being Category (V), inevitably form business links with this kind of boat because of difficulties in collaborating with the other boats which are tightly controlled by the third category. The combination of these new components at the Port will possibly have a great impact on the system, helping the rigid market system to gradually evolve into a more flexible set-up, even though the relationship between the two components has so far not yet been firmly established. The formulation of price between the two is not unilaterally determined by the agents, a factor which may influence the outlook of other boat owners with respect to the way in which to sell produce on favourable terms. The boat owners who are relatively independent of fish agents are trying to obtain as high a price as possible, and this state of affairs will be acknowledged, to a certain extent, by those agents who are suffering due to the inflexible

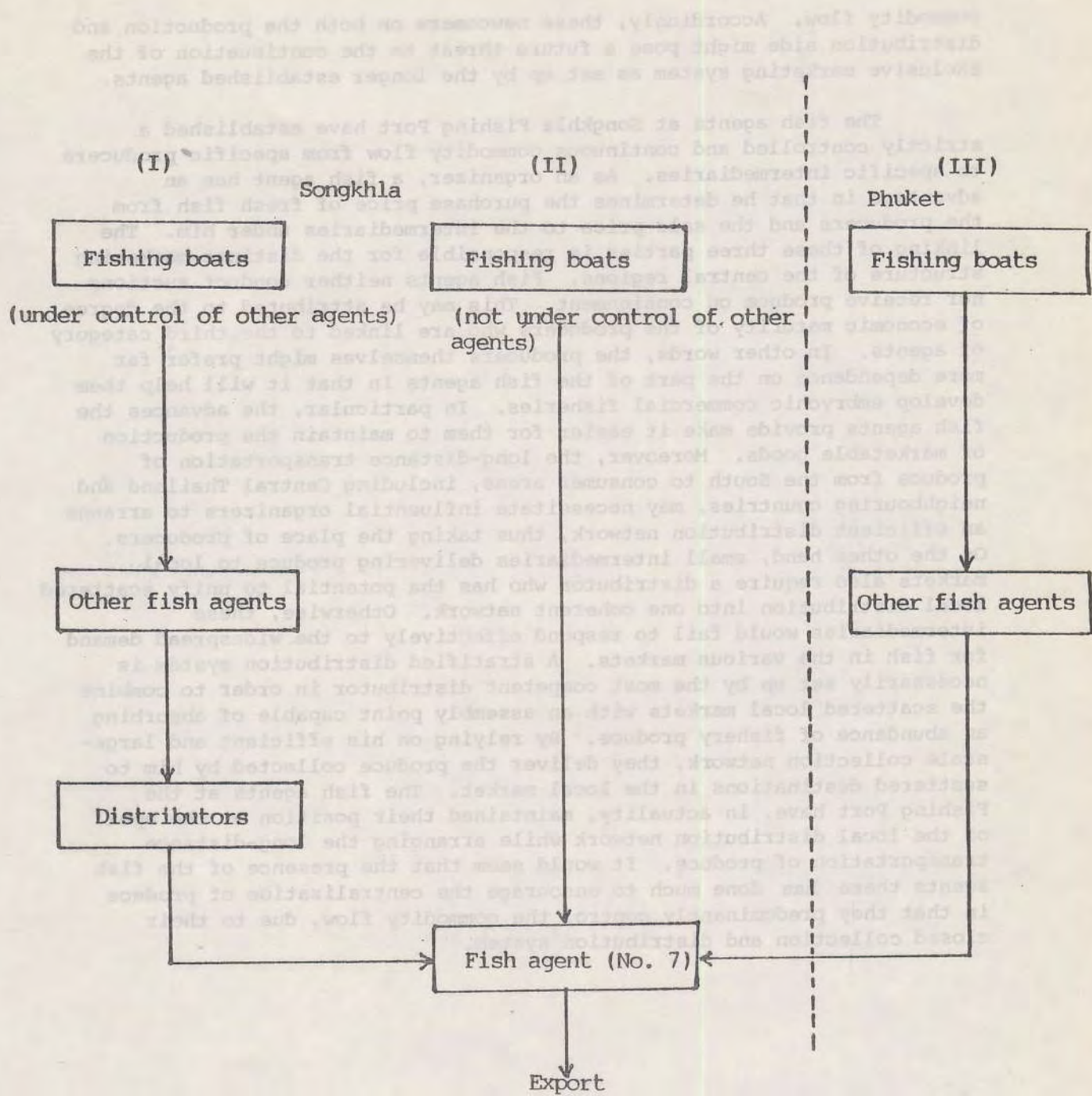


Diagram II-3 Evolution of collection activity (Fish agent, No.7)

commodity flow. Accordingly, these newcomers on both the production and distribution side might pose a future threat to the continuation of the exclusive marketing system as set up by the longer established agents.

The fish agents at Songkhla Fishing Port have established a strictly controlled and continuous commodity flow from specific producers to specific intermediaries. As an organizer, a fish agent has an advantage in that he determines the purchase price of fresh fish from the producers and the sale price to the intermediaries under him. The linking of these three parties is responsible for the distinct marketing structure of the central regions. Fish agents neither conduct auctions nor receive produce on consignment. This may be attributed to the degree of economic maturity of the producers who are linked to the third category of agents. In other words, the producers themselves might prefer far more dependence on the part of the fish agents in that it will help them develop embryonic commercial fisheries. In particular, the advances the fish agents provide make it easier for them to maintain the production of marketable goods. Moreover, the long-distance transportation of produce from the South to consumer areas, including Central Thailand and neighbouring countries, may necessitate influential organizers to arrange an efficient distribution network, thus taking the place of producers. On the other hand, small intermediaries delivering produce to local markets also require a distributor who has the potential to unify scattered local distribution into one coherent network. Otherwise, these intermediaries would fail to respond effectively to the widespread demand for fish in the various markets. A stratified distribution system is necessarily set up by the most competent distributor in order to combine the scattered local markets with an assembly point capable of absorbing an abundance of fishery produce. By relying on his efficient and large-scale collection network, they deliver the produce collected by him to scattered destinations in the local market. The fish agents at the Fishing Port have, in actuality, maintained their position at the apex of the local distribution network while arranging the long-distance transportation of produce. It would seem that the presence of the fish agents there has done much to encourage the centralization of produce in that they predominantly control the commodity flow, due to their closed collection and distribution system.

III Conclusion

By classifying the Thai fish agents into rough categories, it may be concluded that their activities have assumed a number of diverse characteristics in terms of the source of the produce collected and its destination. In addition, the various categories are distinct in terms of the intermediaries and producers linked to them. In general, Categories (I), (IV) and (V) appear to act predominantly as intermediaries between various kinds of traders. On the other hand, Categories (II) and (III) channel produce derived mainly from capital-intensive fisheries to other components in the wholesale commerce sector as well as to processing factories. Apart from the economic function of each category, all of them have created a nationwide commodity flow - part of which is directed towards international markets - both in cooperation with each other and with processing factories. Unlike fishery collectors remaining in a relatively restricted area, they absorb abundant fishery produce on the spot and pass it along through successive stages in the wholesale commerce system. Accordingly, the expansion of fish agents activities has indeed kept pace with the rapid growth of commercial production in Thai fisheries. Broadly speaking, the fish agents in Categories (II) and (III) seem to exceed the other categories in number. These categories have directly influenced the development of Thai fisheries, since they have tended to specialize in collecting produce from producers without going through any other intermediaries. Their advance payment system has encouraged fishery producers to gradually expand the scale of commercial production, and the returns on commercial production have accrued as a surplus profit for the managements of commercial fisheries to some extent through the marketing activities of the fish agents.

Taking into account the activities of fishery collectors, it is possible to define the evolution process of merchant activities in Thai fisheries. Excluding those categories comprising agents who deal between other intermediaries, the remainder (Categories (II) and (III)) have evolved from traditional fishery collectors. In particular, the regulating principle of Category (III), even nowadays, bears some similarity to that of fishery collectors by the manner in which producers and small intermediaries are linked with this kind of agent. Therefore, the expansion of commercial fisheries and the growth of commercial producers might encourage a collector to gradually evolve into an agent of the third category. Moreover, as managements of commercial fisheries can afford to make a more intensive capital investment with regard to production, the third category inevitably evolves into the second one. This is because the closed market system created by the third category frequently precludes the producers under its wing from obtaining a sufficient surplus. Furthermore, the transactions between agent and producer may be based mainly on consignment. Thus, these three types of mercantile activity in the various production areas will correspond to the level of development of each particular fishery.

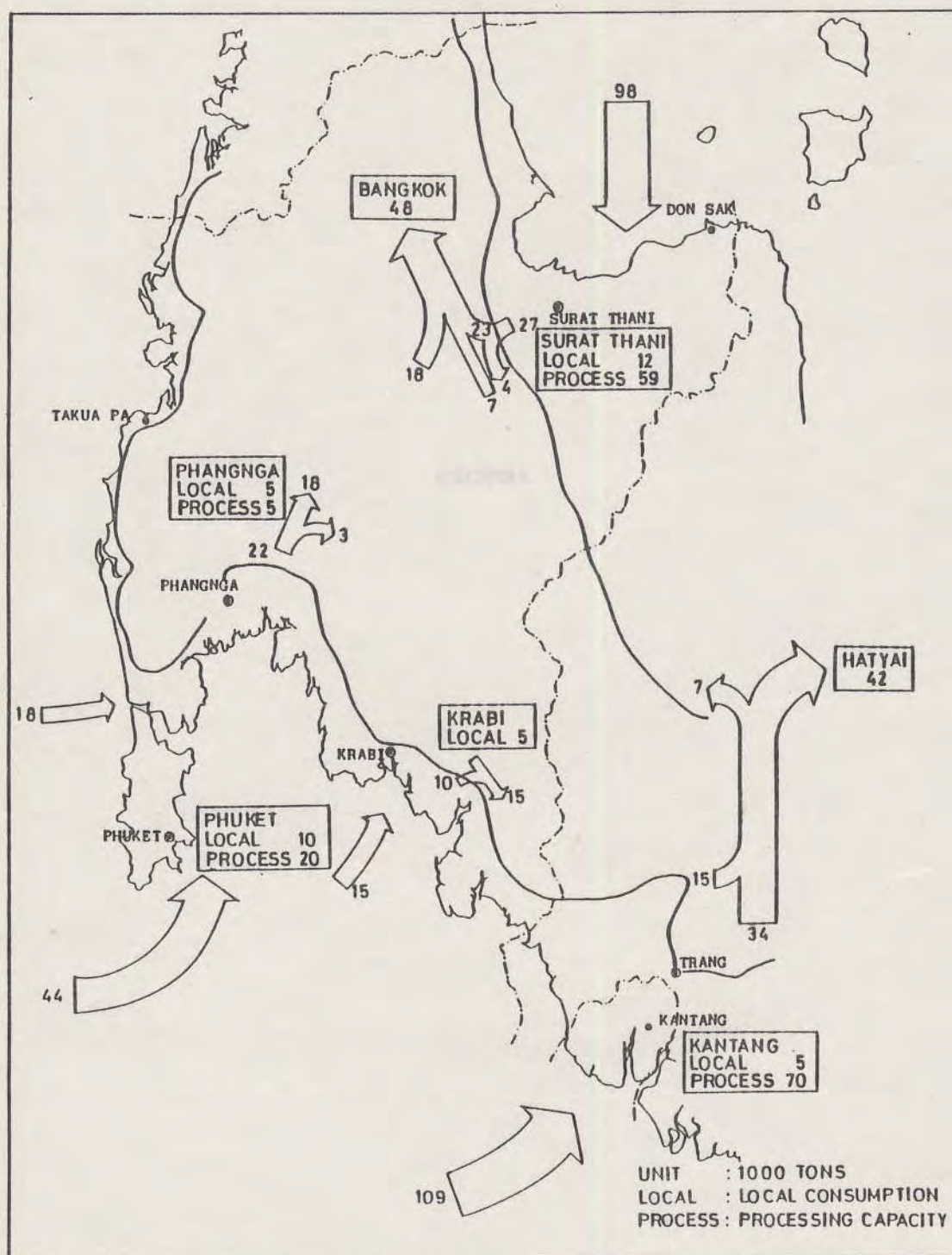
Given the various categories of fish agent and the evolution process of the Thai fishery business as a whole, it is possible to make a further assumption, namely that the Thai fish market is defined by three distinct stages of development. Firstly, the wholesale market system, accompanied by the growth of the second category of agents, prevails in Central Thailand and its neighbouring areas. Secondly, at the main landing places with the exception of Central Thailand and its environs, the exclusive market system, dealing with a large-scale commodity flow has been managed by the third category, as described in the previous chapter. This system can be considered the pre-wholesale market stage. Thirdly, a few fishery collectors have organized the dispersed production and distribution in a small fishing community on a regular basis, and have distributed produce to the other two systems. In contrast to the central regions, fisheries in the southern regions have been predominantly affected by the last two systems. Accordingly, the relationship between agent (or collector) and producer still remains exclusive in nature. The prevailing marketing systems, as well as the development of fisheries, in the South are under-developed unlike Central Thailand. As a whole, however, the pervading influence of the wholesale market system will make slow but steady progress, influenced by the movement of fishing boats from the developed areas and the rapid absorption of fresh fish by Central Thailand. Therefore, the exclusive distribution system as perceived at Songkhla Fishing Port may be in a state of transition in that it may be advancing towards the next marketing stage.

Annex I Fresh fish supply and distribution (in the upper South)

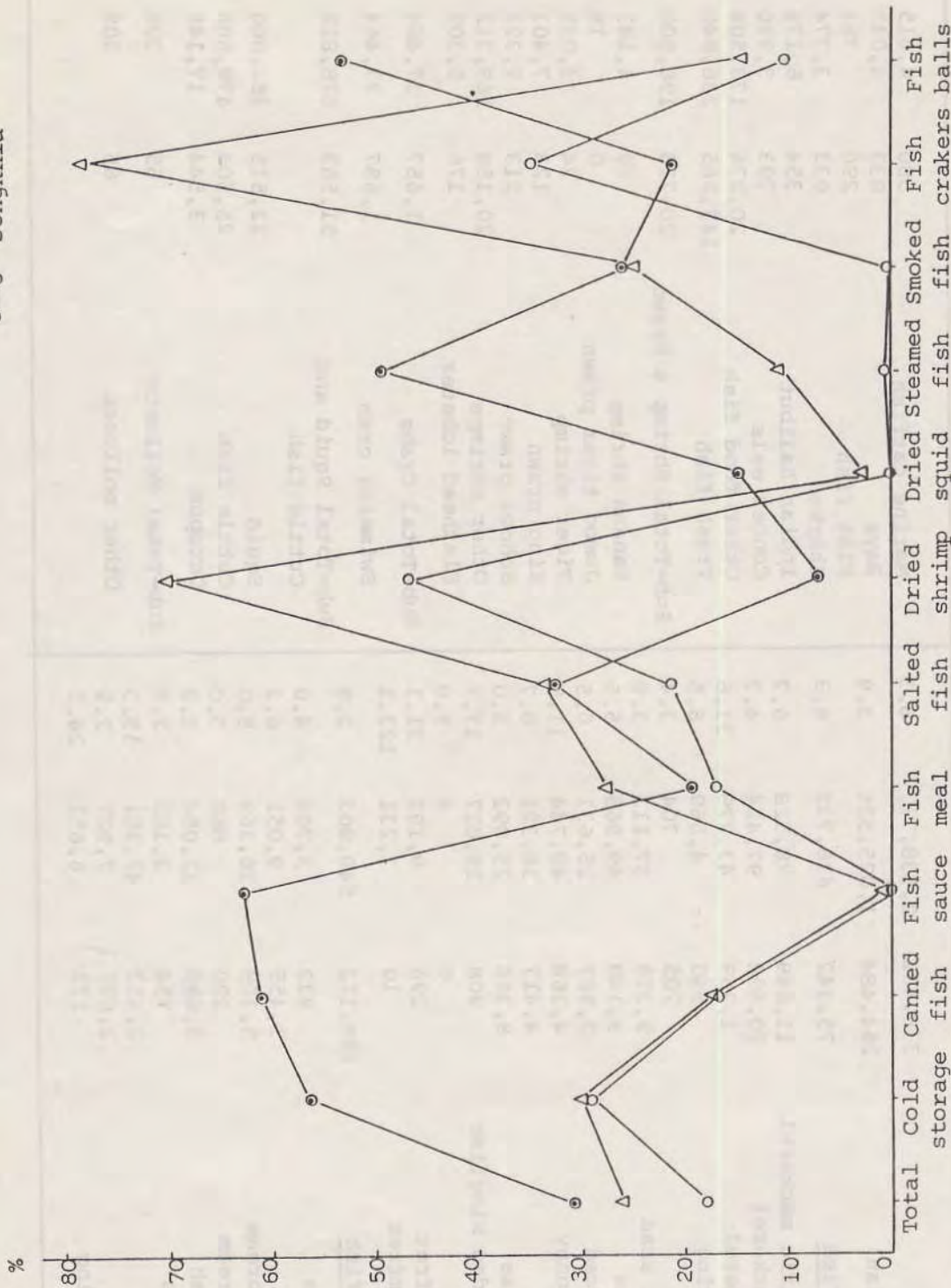


(Source) "The Sub-regional Development Study of the Upper-South Region of Thailand", Japan International Cooperation Agency, 1984.

Annex 1 Fresh fish supply and distribution (in the Upper-South)



(Source) "The Sub-regional Development Study of The Upper-Southern Part of Thailand", Japan International Cooperation Agency, 1984.



- 1) Figure shows the contribution of the Region as well as Songkhla to the whole country.
- 2) Figure is an average over three years (from 1982 to 1984).
- 3) Definition of regions is according to the marine fishery census.

(Source) "Statistics of Fisheries Factories 1982-1984" (Department of Fisheries)

Annex 2 Quantity contribution of marine products used in factories

Annex 3 Catch landed in Songkhla shown by species (1983)

Ton/1,000 Baht							
	Quantity	Value	V/T		Quantity	Value	V/T
Total	338,492	2,138,717	6.3	Marine catfish	580	4,615	7.9
Sub-Total Fish	264,484	1,025,535	3.9	Rays	833	4,043	4.9
<u>Pelagic Fish</u>	75,342	476,732	6.3	Flat fish	290	763	2.6
Indo-Pacific mackerel	11,669	78,528	6.7	Sharks	933	3,774	4.0
Indian mackerel	20,898	97,424	4.7	Indian halibut	354	6,171	17.4
King mackerel	1,369	43,279	31.6	Conger eels	793	3,990	5.0
Wolf herring	540	4,569	8.5	Other food fish	20,276	173,508	8.6
Scads	205	704	3.4	Trash fish	147,265	236,840	1.6
Hard-tail scad	9,379	37,113	3.9	Sub-Total Shrimp & Prawn	20,723	196,600	9.5
Trevallies	9,148	49,868	5.5	Banana shrimp	29	4,181	144.2
Big-eye scad	3,967	25,631	6.5	Jumbo tiger prawn	0	18	18.0
Spotted tunny	4,168	49,744	11.9	Tiger shrimp	24	3,055	127.3
Bonito	4,417	38,321	8.7	King prawn	123	7,403	60.2
Sardinellas	8,368	25,092	3.0	School prawn	213	7,322	34.4
Black banded kingfish	908	16,027	17.7	Other shrimps	20,158	169,312	8.4
Mullet	0	9	9.0	Flathead lobster	176	5,309	30.2
Black pomfret	296	9,192	31.1	Sub-Total Crabs	1,657	37,464	22.6
Silver pomfret	10	1,231	123.1	Swimming crab	1,657	37,464	22.6
<u>Demersal Fish</u>	189,172	548,803	2.9	Sub-Total Squid and Cuttle fish	51,563	878,812	17.0
Barracudas	923	3,703	4.0	Squid	22,515	382,060	17.0
Croaker	1,455	9,051	6.2	Cuttle fish	25,504	479,606	18.8
Treadfin bream	5,309	26,369	5.0	Octopus	3,544	17,146	4.8
Monocle bream	290	860	3.0	Sub-Total Molluscs	65	308	4.7
Lizard fish	3,695	11,054	3.0	Other molluscs	65	308	4.7
Hair tails	754	2,183	2.9				
Snapper	2,453	47,301	19.3				
Big-eyes	2,697	7,927	2.9				
Sand-whiting	272	6,651	24.5				

Annex 4 List of marine fish species in Songkhla

English name	Scientific name	Thai name
Indo-Pacific mackerel	<i>Rastrelliger brachysoma</i> (Bleeker)	ปลาทู
Indian mackerel	<i>Rastrelliger kanagurta</i> (Cuvier)	ปลาลัง
King mackerel	<i>Scomberomorus commersoni</i> (Lacepede)	ปลาอินทรี
Wolf herring	<i>Chirocentrus</i> spp.	ปลาตาบลาว
Scads	<i>Decapterus</i> spp.	ปลาทูแขก
Hard-tail scad	<i>Megalaspis cordyla</i> (Linnaeus)	ปลาแซงไก่
Trevallies	<i>Caranx</i> spp.	ปลาสิ่กุน
Big-eye scad	<i>Caranx crumenophthalmus</i>	ปลาสิ่กุนตาโต
Spotted tunny	<i>Thunnus tonggol</i> (Bleeker)	ปลาโอดำ
Bonito	<i>Euthynnus</i> spp.	ปลาโอลาย
Sardinellas	<i>Sardinella</i> spp.	ปลาหลังเขียว
Black banded kingfish	<i>Zonichthys nigrofasciata</i>	ปลาลำสี
Mullet	<i>Mugil</i> spp.	ปลากระบอก
Black pomfret	<i>Formio niger</i> (Bloch)	ปลาจะละเม็ดดำ
Silver pomfret	<i>Pampus argenteus</i> (Euphrasen)	ปลาจะละเม็ดขาว
Barracudas	<i>Sphyaena</i> spp.	ปลาน้ำดอกไม้
Croaker	<i>Sciaena</i> spp.	ปลาจวด
Treadfin bream	<i>Nemipterus</i> spp.	ปลาทรายแดง
Monocle bream	<i>Scolopis</i> spp.	ปลาทรายขาว
Lizard fish	<i>Saurida</i> spp.	ปลาปากคม
Hair tails	<i>Trichiurus</i> spp.	ปลาตาบเงิน
Snapper	<i>Lutjanus</i> spp.	ปลากะพง
Big-eyes	<i>Priacanthus</i> spp.	ปลาตาโต
Sand-whiting	<i>Sillago</i> spp.	ปลาเห็ดโคน
Marine catfish	<i>Tachysurus</i> spp.	ปลากดทะเล
Rays	<i>Dasyatis</i> spp.	ปลากะเบน
Flat fish	<i>Cynoglossus</i> spp.	ปลาลิ้นหมา
Sharks	<i>Carcharhinus</i> spp.	ปลาฉลาม
Indian halibut	<i>Psettodes erumei</i> (Schneider)	ปลาจักรผาน
Conger eels	<i>Muraenesox</i> spp.	ปลาเยดจาก
Other food fish	-	ปลาเลย
Trash fish	-	ปลาเบ็ด
Banana shrimp	<i>Penaeus merguensis</i> de Man	กุ้งแชบ๊วย
Jumbo tiger prawn	<i>P. monodon</i> Fabricius	กุ้งกุลาดำ
Tiger shrimp	<i>P. semisulcatus</i> de Man	กุ้งกุลาลาย
King prawn	<i>P. latisulcatus</i> Kishinouye	กุ้งเหลือง
School prawn	<i>Metapenaeus</i> spp.	กุ้งโอคัก
Other shrimps	-	กุ้งอื่น ๆ
Flathead lobster	<i>Thenus orientalis</i> (Lund)	กั้งกระดาน
Swimming crab	<i>Portunus pelagicus</i> Linnaeus	ปูม้า
Squid	<i>Loligo</i> spp.	หมึกกล้วย
Cuttle fish	<i>Sepia</i> spp.	หมึกกระตอง
Octopus	<i>Octopus</i> spp.	หมึกสาย
Other molluscs	-	หอยอื่น ๆ

(Source) "The Landing Place Survey 1983", Department of Fisheries.